

BULLETIN

OF THE
NATIONAL ASSOCIATION OF CREDIT MEN.

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New Members Reported During February.

BALTIMORE, MD.

Enterprise Steam and Hot Water Heating Co.....	G. R. Bullen
Jones, Wm. E., Co.....	
McDonald, F. N., & Co.....	
New York Bargain House	Nathan Horinger
Peed, C. J., & Co.....	C. J. Peed

BOISE, IDAHO.

Boise Candy Co., Ltd.....	T. A. Sloan, Mgr.
Boise Produce & Comm. Co., Ltd.....	B. W. Walker, Pres.
Capital Brokerage & Comm. Co.....	J. G. H. Graveley, Pres.
Davidson Grocery Co.....	R. M. Davidson, Pres.
Falk Wholesale Co.....	Julius Steinmeier, Mgr.
Kerr Hdw. Co., Ltd.....	V. C. Kerr, Mgr.
Mitchell, Lewis & Staver Co.....	J. F. Cook, Mgr.
Northrop Hdw. Co., Ltd.....	C. Northrop, Mgr.
Seller, H. & Co.....	L. W. Seller, Mgr.
Smith & Company.....	O. W. Smith, Mgr.

BOSTON, MASS.

National Bank of the Republic.....	E. P. Hatch, V. P.
Spurr, Howard W. Coffee Co.....	Parker Tyler

BUFFALO, N. Y.

Brunswick-Balke-Collender Co., The.....	Henry Beeny
Buffalo Mill Supply Co.....	Robert Loder
Ebberts, John, Shoe Co.....	John Ebberts
Humphrey & Vandervoort.....	Geo. B. Vandervoort
Miner Commercial Law Co., The.....	C. A. Miner
Welsbach Co.....	H. G. Stewart
Wile, M. & Co.....	S. Bock
Wright, A. B., & Co.....	

BUTTE, MONTANA.

Anaconda Copper Mining Co.....	S. H. Greenwood, Mgr.
Beebe Grain Co.....	Chas. E. Beebe
Browne & Flanigan.....	J. Patrick Browne
Butte Paper Co.....	Max Coddon
Butte Potato & Produce Co.....	A. J. Kniével, Pres.
Butte Wholesale Grocery Co.....	J. S. Casey, Pres.
Calkins, B. E.....	
Capital Brewing Co.....	C. Dillman, Pres.
Caplice Commercial Co.....	T. J. Phillips, Mgr.
Carlson, Swend	
Casey Candy Co.....	R. Frank Casey, Pres.
Clark, W. A., & Bro.....	A. J. Johnston, Cash.
Cohn, Louis S.....	Lee Cohn
Daly Bank & Trust Co.....	Chas. C. Swinborne, Cash.
Davidson Grocery Co.....	E. J. Murphy, Mgr.
First National Bank.....	E. B. Weirick, Cash.
Fried, Julius	
Gallick, B.	
Henningsen Produce Co.....	A. P. Henningsen

Jones Fruit Co.....	A. H. Jones, Mgr.
Kniesel, Conrad	
Missouri Valley Milling Co.....	T. J. Lamphier, Mgr.
Montana Hardware Co.....	Chas. H. Ring, Mgr.
Montana Liquor Co.....	H. Blank, Mgr.
Morier, H. E. Produce Co.....	H. E. Morier, Mgr.
O'Neill Brothers Co.....	E. J. O'Neill, Mgr.
Oppenheimer, J. E., & Co.....	H. E. Oppenheimer
Ryan & Newton Co.....	Chas. E. Virden, Mgr.
Silver Bow National Bank.....	
States Savings Bank.....	E. P. Chapin, V. P.
Story Flour & Feed Co.....	F. J. K. Mutch, Mgr.
Stromberg-Mullins Co.....	J. A. Stromberg

CHATTANOOGA, TENN.

Trigg Candy Co.....	Jas. A. Cash
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CHICAGO, ILL.

Burke & James.....	H. Edwards
Collyer & Co.....	W. D. Collyer
Dolese & Shepard Co.	E. J. Cady
Graves, Chas. E., & Co.	Thomas Rudd
Patterson-Sargent Co., The	M. R. Alton
Railway Exchange Bank.....	A. M. Rode
Shank, E. L., & Co., Inc.	E. L. Shank
Smith-Wallace Shoe Co.	Julian J. Duplain
Wile, Loeb & Gutman	Jos. M. Wile

CINCINNATI, OHIO.

Church, John Co., The.....	August Beall
Ohio Brass & Copper Co., The.....	Henry Hutz

CLEVELAND, OHIO.

American Multigraph Co., The	W. C. Dunlap
Buckeye Fixture Co., The	J. D. Pelton
Central Brass Mfg. Co	Emile L. Strauss
Cleveland Electric Illuminating Co., The	Samuel C. E. Jones
Cleveland Electrotpe Co	Chas. E. Warren
Cleveland Fuel Supply Co., The.....	W. C. Dittoe
Cleveland Light and Power Co., The	D. J. Hard
Cleveland Printing Co., The	Harry G. Oliphant
Cleveland Toilet Supply Co., The	A. P. Shupe
Columbia Tool Steel Co.	E. D. Clarage
Crandall Packing Co.	J. M. Chapman, Mgr.
Crescent Machine Co., The	W. G. Bess
Duncan, A. R., Jr., Co., The	W. J. Thompson
Empire Varnish Co.....	A. F. Hughes
Employers' Liability Ins. Corp., Ltd.....	Arthur Bradley
Foote, C. H., Lumber Co.....	C. H. Foote
Fowler & Simpson Co	Walter G. Fowler
Gabriel, W. H., Carriage and Wagon Co.....	H. E. Gabriel
Gates, Clement L.	
Guthery & Guthery.....	Erwin G. Guthery
Hexter, K. W., & Co.	K. W. Hexter

Hoppinger, J. J., Co.....	J. J. Hoppinger
Lake Shore Banking and Trust Co.	J. Horace Jones
L. S. & B. Illustrating Co.	William J. Luck
Ludowici-Celadon Co.....	J. M. Williams, Asst. Treas.
Miller Printing Co., The	James P. Miller
Monarch Brass Co., The	A. S. Deutsch
Moore & Biers Co., The	L. Desenberg
Morris, Samuel G. Co., The	Samuel G. Morris
Mouat-Squires Co., The	C. J. Deex
Murphy Varnish Co.	E. F. Schultz
Ohio Coal and Coke Co.	E. J. Clancy
Ohio Varnish Co., The	F. M. Clopp
Rose & Gellatly Coal Co., The	B. Rose
Rutherford, George Co., The	C. F. Minnick
Schafer-Suhr Coal Co., The.....	C. A. Suhr
Sportsman's Supply Co., The.....	T. C. Larter
Steffen, Geo. W.	
Sterling Mining Co., The	H. D. Hileman
United States Coal Co., The	W. C. Rhodes
Warner, W. H., Co.	H. L. Warner
Wertheim, Max G. Co., The	Max G. Wertheim
Western Union Tel. Co.	Jas. T. Hanford

DENVER, COLO.

Austin Candy Co.....	A. S. Austin
Hensley, Lawrence Fruit Co.....	A. R. Mackenzie
Mountain Elec. Co.....	Jno. J. Cooper
O'Connor, Eugene	
Old Homestead Bakery & Invt. Co.....	L. H. Springsteen
Plattner Implement Co.....	W. W. Griswold
Scott Supply & Tool Co.....	A. J. Myatt

DULUTH, MINN.

Baker-Cannon Co.....	E. D. Baker
Paine & Nixon Co.....	Frank J. Nixon
Shore, M. S., & Co.....	L. A. Barnes
Tessman, E. A., & Co.....	E. A. Tessman
Union Commercial and Savings Bank.....	Henry Huseby
Works Biscuit Co.....	A. A. Kerr, Mgr.

HUNTINGTON, W. VA.

Du Pont, E. I., de Nemours Powder Co.	C. W. Phellis, Mgr.
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KANSAS CITY, MO.

Coffeyville Window Glass Co.....	
Moore, H. G., Mgr.....	
Swift & Co.	
Warner Fence Co., The.....	

LINCOLN, NEB.

Benway, A. D., Co.....	G. S. Brown
Dunham, E. B.....	
F. & M. Bank.....	F. J. Kennedy
Regent Shoe Co.	W. O. Thomas
Wilson & Brown	E. W. Brown

MILWAUKEE, WIS.

Flint, J. G., Co.	Walter Fernekes
Hummel & Downing Co.	A. C. Downing
Union Credit Co.	A. G. Riebs

MINNEAPOLIS, MINN.

Dickinson, Albert Co., The.	E. C. Oakley
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NEWARK, N. J.

Domestic Sewing Machine Co.	E. H. Babbitt
Dooner & Smith.	James Dooner
Essex Co. National Bank.	Frank S. Cobb
Federal Sugar Refining Co.	Jno. M. White
Federal Trust Co.	E. F. Maguire
Hanson & Van Winkle Co.	W. A. Anthony
Jancovius & Son, Inc.	Geo. T. Jancovius
Marshall & Ball.	F. Rindell
Meyer, Benj. & Co.	Geo. W. Davis
Newark Evening News.	Chas. F. Dodd
Newark Supply Co.	John F. Deane
Pfreundschuh, Geo. C.	Geo. C. Pfreundschuh
Regan, Joseph.	Joseph V. Lupo
Seligman, J. R.	
Stoutenburgh & Co.	L. A. Kempf
Union Steam Laundry.	S. F. Meaghen
Walker-Johnson Co.	Joseph Walker

NEW ORLEANS, LA.

Kohlman Bros. & Sugarman	Sigmund Kohlman
Levy & Gonsenheim.	Jac Levy.
Martin, Francis & Co., Ltd.	C. Desforges
Pfister, Louis.	

NEW YORK, N. Y.

Cohn, Martin, L. Co.	T. P. Edwards
Neely, Wm. T. & Co.	Wm. T. Neely
Hartford Carpet Corporation.	Malcolm C. Warner
Merchants Protective Association.	Geo. T. Holmes

RICHMOND, VA.

Anderson, Lewis, Gray Co, Inc.	V. L. Epes
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ROCHESTER, N. Y.

Schlegel Mfg. Co.	C. P. Schlegel
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ST. LOUIS, MO.

Aetna Life Ins. Co.	J. W. Estes
Barnes-Crosby Co.	A. A. Beckmann
Daniels, Geo. F., & Co.	W. P. Mains
Illinois Glass Co.	F. L. Taylor
Jacks-Evans Mfg. Co.	
Leigh Bros., Co-operative Emp. Association.	J. W. Leigh
O'Brien, Wm. H., Printing and Publishing Co.	Wm. H. O'Brien

Price, B. & M., Shade Co.....Monroe Price
 St. Louis Dressed Beef and Provision Co.....R. B. Dumbell
 Warren, M. W., Coke Co.....P. K. Woods
 Watts & Uthoff Supply Co.O. W. Uthoff

TOLEDO, OHIO.

Ohio Glass Co.....E. C. Schwimmer
 Union Supply Co.....C. Laney

WALLA WALLA, WASH.

Dement Bros., Co.....F. S. Dement
 Holt Mfg. Co., The.....Ben. C. Holt, Mgr.
 Hunt, Gilbert, Co.....Gilbert Hunt
 Walla Walla Produce Co.W. H. Berney, Secy.

During March, Assistant-Secretary Stockwell organized the Butte Association of Credit Men, with a charter membership of thirty-two. Mr. Stockwell visited a number of places in the far northwest, including Walla Walla, Washington, Boise, Idaho, Cheyenne, Wyoming and also visited the local associations at Salt Lake City, Utah, and Sioux Falls, S. D.

The newly organized association at Newark, N. J., has increased its charter membership to sixty-four. A local association is being organized at Little Rock, Ark. The membership of the National Association shows a gain of nearly five hundred since October 1, 1906. The larger part of the members secured last year were obtained during the three months preceding the convention.

Notes.

The Richmond Credit Men's Association has reelected Captain John Landstreet as President.

An anti bucket shop measure has passed the Assembly of Tennessee by a vote of 85 to 3.

Marcus M. Marks has been elected President of the Clothiers' Association of New York for the tenth time.

The Legislature of South Carolina has passed an anti bucket shop measure modelled along the lines of the Georgia law.

The Legislature of Nebraska has acted favorably on a bulk sales measure. The signature of the Governor has placed it on the Statute books.

A bulk sales measure passed the upper house of the West Virginia Legislature, but the refusal of the lower house to advance the measure on its calendar prevented its being reached before adjournment.

The Superior Court of Pennsylvania has handed down a decision declaring the bulk sales law of that State to be constitutional. The decision is viewed with general satisfaction.

Morris Eisler, of New York City, has been denied a discharge in bankruptcy for failure to produce his bank books, check books and returned vouchers.

The Pittsburgh Association of Credit Men has issued an interesting booklet, entitled, "A Real Force in Business." Copies can be had from Secretary Danahey upon application.

The National Office has about forty bound copies of the BULLETIN for 1906. They will be supplied at \$1.00 each. First come, first served.

Alexander R. Darragh, credit man for Haworth & Dewhurst, Ltd., of Pittsburgh, Pa., has organized The Darragh Company, with offices in the Frick Building. The company will handle commercial collections.

Business brought Commissioner Rice, of the Cleveland Adjustment Bureau, to New York, in February. Mr. Rice is enthusiastic about the bureau over which he exercises a watchful eye.

President Burt, of the Buffalo Credit Men's Association, visited New York for a few days during January. Mr. Burt's place of business was recently damaged by fire breaking out in a connecting building.

A bankrupt in the southern district of New York has been denied a discharge on the ground that he had concealed or destroyed books of account and had omitted the names of certain creditors from his schedule.

H. E. Moody, of De Cou Bros. Co., and David S. Ludlum, of the Philadelphia National Bank, both members of the Philadelphia Credit Men's Association, called at the national office during February.

The recommendations put forth as the result of the Cleveland conference on adjustment bureaus have so far received the approval of the Associations at Columbus, Denver, Des Moines, Kansas City, New York and Philadelphia.

Because he concealed diamonds and jewelry from his trustee in bankruptcy, and also conveyed property to be held for him, Leon A. Liebeskind, of New York City, forfeited, in the opinion of Judge Hough, his right to relief through the bankruptcy law.

The Merchants' Association of New York has recently moved its headquarters to the Merchants' Association Building, 66-72 Lafayette Street, where it will have greatly increased facilities. The steady growth of this organization is the best proof of its able management.

W. B. Strong, President; Oscar Loeffler, Vice-President; Wm. I. Lane, Treasurer and H. M. Battin, Secretary, were reelected at the annual meeting of the Milwaukee Association of Credit Men held on January 17, 1907.

On March 1st, Geo. L. Pender severed his connection with the American National Bank of Richmond, and became connected with The D. Pender Grocery Co., of Norfolk, Va. Mr. Pender carried with him the best wishes of a host of friends.

Chas. H. Arnold, for twenty-five years in charge of the credit department of Miner & Beal, of Boston, has entered into partnership with Chas. L. Bird, Secretary of the Boston Credit Men's Association. They will carry on an adjusting and collecting business.

The bill to prohibit bucket shops doing business in Indiana has passed both branches of the Legislature. The chances do not appear bright at this writing for the passage of the Cox bulk sales measure, for it is believed that it cannot be reached before adjournment.

Jacob Kerrch, Joseph Rittenberg, Morris Weiss, Harris Weiss and Hyman Abrams have been convicted on a charge of conspiracy against the United States for concealing assets from a trustee in bankruptcy. The trial lasted two weeks before Judge Lowell, in Boston.

The Philadelphia Boot and Shoe Manufacturers' Association celebrated its twenty-sixth anniversary, at a meeting in the Bellevue-Strat-

ford Hotel, on January 30th. The earnest support which the members are giving this organization, now one of the oldest representing a special line of trade, shows its value and mutual helpfulness.

The upper house of the Legislature of Montana has given unanimous approval of a bulk sales measure introduced at the instance of the Butte Association of Credit Men. It is predicted that the measure will receive favorable consideration on the part of the lower house. A bill regulating the use of fictitious names in business is before the Montana Legislature.

At the annual meeting of the Grand Rapids Credit Men's Association the following officers were elected: President, H. C. Cornelius, care Wolverine Brass Works; Vice-President, J. B. Hutchins, care Clapp Clothing Co.; Treasurer, J. F. Cramer, care Grand Rapids Brewing Co.; Secretary, Charles Holden, care Holden & Hardy.

Secretary Peter, of the Dallas Association, reports the passage through the Senate of the bulk sales bill now before the Legislature of Texas, by vote of 20 to 5. Mr. Peter is confident that the bill will go through the Assembly. The credit men of Texas have rallied enthusiastically to the support of the measure.

The Louisville Credit Men's Association's adjustment bureau has been incorporated with a capital of \$4,000, and was ready for business on March 1st. The officers elected were, President, J. H. Scales, care of Belknap Hdw. & Mfg. Co.; Vice-President, W. H. Bradbury, care of The Carter Dry Goods Co.; and R. Ruthenburg, Secretary-Treasurer, care of Mendel, Weinstock & Company.

The homestead exemption provision adopted for the Oklahoma constitution exempts 160 acres in country or one acre in town property to a value not to exceed \$5,000. Originally the delegates to the constitutional convention favored such exemptions without reference to valuation. Under the revised provision property can be sold, and the proceeds, save \$5,000, used in satisfying executions.

The Investigation and Prosecution Committee of the Milwaukee Association of Credit Men has issued a call for the renewal of the pledges by the means of which the committee has had at its disposal a guaranteed fund of \$16,000. During the two years which this fund has been available only one assessment of 5 per cent. has been levied, and the committee now has in hand an unexpended balance of \$747.50.

Harry New, President of the Cleveland Association of Credit Men, called at the national office a few days ago. President New reported that the Cleveland Association has passed the five hundred mark, in membership, and confidently expressed his opinion that the membership committee of the Cleveland Association would be heard from several times before June 1st. New York, look out!

The decision of the United States District Court in New York to the effect that bankrupts must not only go to court and submit to the form of an examination, but must really give up their account books and answer questions about their business affairs or go to jail, is a strong point in favor of merchants who are after fraudulent bankrupts. The decision also establishes the principle that false swearing on the part of the bankrupt before the court is not necessarily a crime for which the accused is entitled to a jury trial, but a contempt for which the court can order a summary punishment.

The Standing Law Committee of the American Bankers' Association has endorsed and recommended for general enactment in the various States, the New York Statute limiting the time in which a depositor may notify his banker of his objection to a forged or raised check, to one year after the same is returned to him as a voucher, and recommends that the time be limited to six months. The committee has also drafted and recommended statutes allowing a bank to repudiate its certification of a check bearing a forged signature, or to recover money paid upon such a check wherever the holder has not used ordinary care in acquiring the check, or would be placed in no worse position if the certification were repudiated or the money refunded, than before he received the one or the other.

The Textile Importers Association is a new organization formed a few weeks ago. The objects of the Association are:

To advance the interests of trade and commerce through the uniform and equitable administration of the tariff laws; to reform abuses in the execution of those laws; to prevent, as far as possible, frauds practiced upon the Government through undervaluations, and to disseminate information respecting the customs, laws and orders, and changes made in connection therewith.

The officers are, President, P. B. Worrall, of Fred Butterfield & Co.; Vice-President, Walter Gibb, of Mills & Gibb; Treasurer, Milton C. Herrmann, of Herrmann, Aukam & Co.; Secretary, William A. Prendergast.

The Adjustment Bureau of the Cleveland Association of Credit Men has been exceedingly busy during the past month, handling a number of cases which have affected the local people closely. In Case No. 33, with assets of \$20,000, liabilities \$36,000, the Commissioner filed objections, thinking a better offer might be secured. While no better offer was obtained a 35 per cent. net settlement was secured instead of 35 per cent. with expenses deducted. The composition will now probably be confirmed. Case No. 34, with assets of \$54,000, liabilities \$84,000, has been closed, paying 45 per cent. The bureau's charge was 7½ per cent. In Case No. 45, assets \$20,000, liabilities \$37,500, just closed, 35 per cent. was paid, the Bureau charging 6 per cent. In Case 59 the Bureau resisted the application for a receiver, thus saving the estate quite an item of expense. The assets are \$18,000, with liabilities of \$24,000. The Bureau will probably be able to control the situation so as to elect the trustee, as it holds about forty claims, aggregating quite a large sum of money. Other attorneys in the case have seen the force and effect of the Bureau's workings and are co-operating with it. Also creditors outside of the Association have been favorably impressed with the Bureau and are forwarding their claims for general participation. Cases 61, 65, 66, 71, 72 and 74 are in course of litigation. The fact that the Bureau has had capable and responsible parties to examine and bid on various stocks in estates has aided greatly in adjustment.

Members of the National Association of Credit Men are warned against entering into contracts with concerns soliciting bad and doubtful accounts for collection without first communicating with the Secretary of the Association or the Secretary of any affiliated branch. Under no circumstances should members pay fees in advance for services to be rendered in connection with the collection of such accounts.

W. B. Cross, President of the Jobbers' Credit Association.

Mr. W. B. Cross, who is now president of the Jobbers' Credit Association, the headquarters of which is in Duluth, has had a notably useful and serviceable career. Born in 1861, at Batavia, N. Y., his boyhood days were spent on Long Island. He went to Marquette, Mich., in 1882, and during his seven years in that city, was connected with a hardware company and served a year as City Treasurer. He then became



treasurer of the Iron Bay Company, which, in 1890 moved its plant to Duluth. In the panic of 1893 the company failed. Mr. Cross was then instrumental in organizing the Sager Drug Co. which began business in the same year. For seven years he served in the capacity of secretary and credit manager. The company is now called the Leithhead Drug Company. In 1900 Mr. Cross severed his connection with this company to become associated in the organization of the wholesale dry goods house of F. A. Patrick & Co. From the time the firm commenced business Mr. Cross has been its treasurer and credit manager. This company has made

a remarkable record. Occupying a strategic position at the head of navigation, it has become a great distributing depot for a territory extending from the "Soo" Michigan to the Pacific coast. Located in a handsome building of its own, every modern device has been installed for the careful and prompt handling of a large volume of business. As a result of prompt service and good treatment the firm has built up a very large clientage.

Mr. Cross is an enthusiastic and valuable member of the National Association of Credit Men, and his activities in behalf of its course, its methods and its aims have been immeasurable.

POINTERS FROM THE PRESS.

Credit a Priceless Possession.

Credit is the most precious possession a business man can have. It is acquired, maintained and preserved by certain qualities that seem to be inherent in the man. Credit is like a delicate piece of porcelain. You may break it and put it together again, and for purposes of utility it may possibly be just as good as it ever was, but the cracks are there and you can see where it was broken. And so it is with the man whose credit is once impaired. He may be able to buy goods again, his standing among mercantile houses may be very fair, but it can never be restored to the superb condition in which it once was. And so all merchants, young and old, should regard credit as a priceless possession. Do not let it be trifled with, and allow nothing to impair it or injure it.—*Tea and Coffee Expert.*

How is Your Rating?

It is surprising that in these days, when ideas are so rapidly disseminated and a high degree of intelligence is the rule among business men, some should be found who are unwilling to furnish the mercantile agencies with statements of their financial condition.

Why a business man, who is solvent, should hesitate about giving out in this semi-confidential way the facts about his business it is difficult to understand. It is sufficiently clear that a statement of this kind carries with it advantages to the giver, no less than to those who receive it and distribute the information that is based upon it.

Very often a merchant wants goods shipped to him in a hurry by some concern with whom he has had no dealings. If his rating as to credit is high, even if his capital be small, the chances are that the house will ship him promptly. If, on the other hand, his rating is poor, much time may be lost in looking him up and ascertaining whether it is safe to ship the goods.

But this is by no means all. The merchant with a low rating misses many of the opportunities that are continually presented to the one whose credit and capital are higher. This is but natural, for the manufacturer and jobber—and their salesmen—go after the concerns which they think are the most reliable and likely to buy the largest quantities of goods. It may happen that another merchant in the town who has a smaller business, but whose rating is higher, gets all the plums "thrown at" him to the detriment of the man who is careless about his rating or thinks that his financial responsibility is none of the agencies' business.

Merchants, therefore, should not only be willing to give full information to the agencies, but they will do well to take care that they get all they are entitled to in the way of rating.—*Dry Goods Economist.*

History of the Prosecution of Bankrupt Frauds.

BY GUSTAVUS MYERS,

AUTHOR OF "THE HISTORY OF TAMMANY HALL," "HISTORY OF PUBLIC FRANCHISES IN NEW YORK CITY," ETC.

ARTICLE IV.

One of the boldest, most defiant cases of fraud in the annals of bankruptcy prosecutions was that of Albert J. Lowrie. Unrelieved by any extenuating features, it was a sheer, cold-blooded attempt at conspiracy to defraud creditors. The ingeniously laid plans of Lowrie and his confederates, however, proved of no avail, and resulted only in merited disaster for them.

Early in 1903, Lowrie opened a clothing and men's furnishing store at 89 and 91 Seneca Street, Buffalo. He had migrated hither from Forest City, Pa., where he had done business. The initial move in the conspiracy was to deposit \$12,000 in the Manufacturers' and Traders' Bank of Buffalo. This money, it was understood, was furnished by Harry Joseph, whose part in the plot was chief backer, planner and promoter. Using the deposit as a basis for getting credit, and referring freely to the bank as reference, Lowrie obtained his first shipments of merchandise. His prompt payment for these inspired general confidence. Having thus dispelled all doubts as to his ability and readiness to pay, Lowrie gave a statement to Bradstreet in which he represented himself as worth \$15,000 above all liabilities.

This done, Lowrie set about getting goods on credit from anyone who would sell him. During the summer and early fall, he succeeded in having sent to him on credit at least \$35,000 worth of consignments of merchandise. Clothing, furnishings, jewelry, glass, chinaware and other goods came heaping in upon him from about a hundred firms in many cities. There were some particularly cautious merchants, who, at first, were inclined to be doubtful. Payments before delivering fresh orders was their peremptory demand. At this Lowrie manifested the most horrified indignation. Had he not a good cash deposit in bank? Did he not pay his debts promptly? What an insult to question his standing and honor! Lowrie's assurance was equal to the occasion. Affecting surprise and injury on the one hand, and great independence on the other, he wrote sharp replies which were intended to convey a feeling of indifference as to whether the goods were sent to him or not. They were really grossly vulgar and impertinent letters, but they had the desired effect. To one doubting firm Lowrie wrote:

"I want you to understand that I can take care of myself mentally, physically and financially. I do not wish to be arbitrary, neither will I allow myself to be dictated to or insulted. I am as yet to see the necessity where I have to ask favors of any one in my business dealings. I intend to pay all my bills and can do it when you do by me as you agreed to do, which I have in the past. I will then pay you."

Such a response might very well have caused a stoppage of all business and personal relations with Lowrie. But the firm weakened and Lowrie carried his point.

On October 17, about six months from the time Lowrie had opened his store, he suddenly filed a voluntary petition in bankruptcy. He was insolvent, he swore, and prayed for a discharge from his debts. His schedules showed liabilities amounting to about \$35,000. His assets, as he set them forth, were \$17,000. But they included pretentious stock

in various gold mining companies which was worthless, and from which the trustee in bankruptcy was unable to realize anything. The sole other assets were a remnant stock of merchandise and the store fixtures. These brought \$2,300 at a sale. Of the \$35,000 worth of goods which Lowrie had wheedled merchants into shipping him on credit, the meagre sum of \$2,300 was all the cash and comfort that were left for the creditors. The deposit of \$12,000, which Lowrie had used as such an impressive argument, had shrunk to 67 cents.

Judge Hazel referred Lowrie's petition to William H. Hotchkiss, as referee. In turn, Mr. Hotchkiss, by consent of a majority of the creditors, appointed Thomas E. Lawrence, a Buffalo attorney, as trustee, to administer the estate. Mr. Lawrence selected Henry W. Pottle as his counsel. Messrs. Lawrence and Pottle showed from the first an inquiring and perceptive state of mind. A little delving convinced them that fraud had been committed. The great part of the assets, it was clear, had been concealed. Summoned into court, Lowrie was stubbornly assertive in refusing to answer questions which might throw light on what had become of the missing merchandise. With aggressive counsel at hand, he persisted in declining to reply to nearly every question, his ground being the statutory one that his answers might tend to incriminate him. His books he likewise declined to surrender. These examinations in bankruptcy were productive of no result, but in other ways the trustee and his counsel obtained evidence upon which they secured indictments in the County Court, and bench warrants for the arrest of Lowrie, Harry and Ike Joseph, Aaron Schwartz, Moses Hendler and George H. Wildenberger. The six men were charged with conspiracy to defraud. All of them were able to give bail. A smaller bond was asked for Wildenberger than for the others; in fact, Mr. Pottle himself furnished Wildenberger's bail bond of \$1,000. This was the first intimation Lowrie and his confederates had that Wildenberger was turning State's evidence.

Wildenberger's information was of the greatest value. Largely through his disclosures the trustee learned in a general way how the conspiracy had been worked and where the concealed merchandise had been shipped. Deciding that it would be more effective to prosecute the conspirators in the United States Court, Mr. Lawrence and Mr. Pottle caused them to be rearrested. Before United States Commissioner Keating they pleaded not guilty and gave another set of bail bonds. No bail was demanded of Wildenberger: he was allowed freedom upon his own recognition, pending the hearing.

Before this came up, the trustee and his attorney went, in the meantime, to Scranton. Wildenberger thus far had not divulged all that he knew. He had told enough, however, to indicate the destination of the shipments. Lowrie had mysteriously fled from Buffalo. Mr. Lawrence and his attorney found him in Scranton and caused his arrest. The search in Scranton for all of the missing goods was not successful, although some were found. The searchers then went to Jermy, Pa., an obscure mining village in the mountains, about ten miles from Forest City, where Emmett Lowrie, a cousin of Albert J. Lowrie lived. There stuffed away in the house and barn, and covered with burlap sacks and rubbish, were trunks filled with merchandise. Mr. Lawrence and Mr. Pottle returned to Buffalo with seven trunks filled with clothing and other goods, and sufficient evidence proving that a conspiracy had existed by which merchandise had been taken away from Lowrie's store and shipped to the stores of Ike Joseph and Moses Hendler in Forest City, and of Aaron Schwartz in Scranton and to places of concealment near Jermy.

Once these facts were brought out before U. S. Commissioner Keating, Wildenberger lost no time in frankly confessing the whole truth, or what appeared to be the unabridged truth. Harry Joseph had engaged him to participate in a scheme by which a considerable sum of money could be fleeced from creditors. Wildenberger's subordinate part was to attend to the unpacking, repacking, remarking and shipment of goods from Lowrie's store to the places selected in Pennsylvania. Wildenberger fell in with the scheme, and rented rooms on the fourth floor of the same building in which Lowrie's store was located. Here he pretended to do business under the name of "G. Mitchell & Co., Jobbers." When Lowrie received consignments, he sent them to the cellar, where they were unpacked, and then hoisted on the elevator to the fourth floor. Wildenberger repacked them in new cases and shipped them to Ike Joseph, Hendler and Schwartz. Wildenberger's testimony was fully substantiated.

The Grand Jury in the United States District Court indicted all of the conspirators except Wildenberger and included Emmett Lowrie. A. J. Lowrie had to give bonds aggregating nearly \$40,000. Harry Joseph's bail was nearly as much. A short time after these indictments were found, Lowrie attempted to make a settlement. Representations were made that \$19,500 had been placed in the hands of the attorneys for the defence to be turned over to the trustee for pro-rata distribution among the creditors. But this offer was conditioned upon an assurance by the creditors, or a majority of them, that they would petition the court to suspend sentence in case the indicted men should plead guilty. It was a bold stroke to escape prison, and nearly achieved success. Most of the creditors were willing enough to quit prosecution, for the sake of some returns, whatever they might be. But there were persistent creditors who refused to be thus bought off. Their declination was emphatic; and, further, they took particular occasion to notify all concerned that they considered exemplary punishment in this case the paramount factor. Judge Hazel and the Prosecuting United States officials expressed the same stern view. The court, Judge Hazel pointed out, was not a collection agency, nor was it to be used or construed as such. One and only one fact was before it; a crime, it was alleged, had been committed the one undeviating course was to find out whether there had been crime, and, if so, to punish the guilty.

Lowrie and his accomplices were taken aback by this unexpected turn. Confidently they had expected all the creditors to jump eagerly at whatever chance of restitution was offered. They began to realize the fate ahead of them. Their jaunty, rather braggadocio air faded out. They became downcast and apprehensive. But soon their faces brightened again. What had happened? It was evident that some dark work had been done, some undermining of the case against them. Otherwise that peculiar gloating look which was noticed would not have succeeded the shivering, haunted appearance which came upon them when their efforts to buy off had failed.

What they had been doing soon came out. It was effective and slippery work: they felt sure that they were now safe from conviction. First, Wildenberger disappeared; much cash, it was thought, had eased the grooves of his mind and the path of his flight. Despite the constant search of Government detectives he was never found again. Next, the two Leonards fled from the scene. They were liverymen at Forest City, who had conveyed sundry trunks of the stolen merchandise from Ike Joseph's store to the mountains. Their evidence was all-important. It

was so necessary that the trial of the case was postponed for two terms in order to find them. Finally they were yanked out of an obscure place in the interior of New York State, and forthwith bundled off to Jamestown.

The belated trial was at last begun in Jamestown, July 18, 1905. When Lowrie, the Josephs and the others were haled to the bar, they were surrounded by shrewd attorneys, who had doubtless assured them that they would "beat the case." Of all things, conspiracy is a difficult crime to prove because of the fact that little or no direct evidence is usually available. So far as Wildenberger, the chief witness, was concerned, he did not exist. He had gone his corrupt way and his confession at the preliminary examination could not be admitted at the trial. Confronted, as it was, by these serious set-backs, the prosecution worked hard and ably to prove the fact of conspiracy. It proved, in the first place, the relationship between some of the conspirators. Harry and Ike Joseph were brothers; Harry Joseph was a brother-in-law of A. J. Lowrie, and Mrs. Harry Joseph was a sister of Mrs. Harry Taylor at whose house some of the trunks had been concealed. This unity of inter-relationship having been established, the next proceeding was to prove that Harry Joseph had negotiated for the renting of Lowrie's store. Naturally, the step after this was to prove the confraternity of plans and interests among the accused; this was done in great detail and demonstrated unmistakably the existence of a conspiracy to defraud creditors. Link by link the bold facts were brought forth; by the time that they had been set forth, the conspiring men had nothing to stand upon. Nevertheless, the lawyers for the defense asserted that there had been no conspiracy and tried hard to convince the jury that it was all a deplorable mistake; that their clients were honest men and should never have been arrested. It was a flimsy defense which defeated its own purpose. Five of the men were found guilty. Albert J. Lowrie was sentenced to eight months imprisonment and \$1,000 fine; Harry Joseph to thirteen months' imprisonment and \$1,000 fine; Ike Joseph was sentenced to a \$1,000 fine as also Moses Hendler and Aaron Schwartz. Emmett Lowrie was liberated, as it was decided that there was not sufficient evidence to connect him with the crime. Harry Joseph's sentence was heavier than that of the rest for the reason that the prosecuting authorities regarded him as the arch-conspirator and A. J. Lowrie as his principal tool. In its verdict the jury recommended a lighter sentence for the three other men. Ike Joseph, Hendler and Schwartz promptly paid their fines by check. Harry Joseph and A. J. Lowrie took an appeal to the United States Circuit Court of Appeals.

A Model Example of Adjustment by the Kansas City Bureau.

An extremely interesting and satisfactory example of efficient work has been made by the Adjustment Bureau of the Kansas City Association of Credit Men, which acted in conformity with resolutions adopted by the Conference on Adjustment Bureaus, held at Cleveland recently.

On January 14, Max Lantin, of Globe, Arizona, appeared in Kansas City with his attorney. He had two creditors in Kansas City and his proposition was to settle his indebtedness, which amounted to \$60,000, at fifty cents on the dollar. He selected Kansas City as the first place to begin his adjustment plans, expecting evidently to go later to other cities where he had creditors.

Mr. Lantin represented that his assets consisted chiefly of merchandise worth about \$24,000; accounts and notes amounting to \$11,000, and certain securities, which were pledged, valued at between \$3,000 and \$4,000. He further represented that he had prepared and left in the hands of his brother at Globe a deed of assignment, which was to be filed upon receipt of a telegram from him, Max Lantin, that his offer of fifty cents on the dollar would not be accepted.

The Kansas City creditors succeeded in persuading Mr. Lantin to stop the assignment and execute to Frank W. Yale, manager of the Adjustment Bureau, a trust mortgage, placing his affairs in the hands of the Bureau for the benefit of creditors. It was apparent to the Bureau that if the assets mentioned in the statement which Mr. Lantin gave were all that he had, then nothing more than fifty cents on the dollar could be obtained. But investigation showed a discrepancy that was not explained, between his business and the shrinkage in assets. Mr. Lantin was informed of the absolute necessity of his producing a statement of the full and total amount of his assets. It was pointed out to him that there appeared to be a shrinkage of \$60,000 in his business since his statement to mercantile agencies, in February, 1905. At that time his net assets were presumed to be \$40,000, while now his liabilities exceeded his assets \$20,000. The only part of the statement which could be, or was, explained, was a loss of \$18,000 cash deposited for investment with certain mining brokers in Boston, who have been in bankruptcy and from whom nothing could be recovered. This loss was corroborated by a New York City firm, whose representative had gone to Kansas City to aid in the adjustment.

Mr. Lantin's mercantile indebtedness appeared to be all for merchandise purchased since June 1, all fall goods, amounting to about \$53,000. His list of payments during the same period showed \$20,000. He represented present stock on hand at \$24,000, showing \$9,000 less than there should be out of fall purchases, besides the addition of his stock carried over from the previous season's business, perhaps \$12,000 or \$15,000, showing a deficit of \$20,000 to \$24,000 on the fall business, none of which could be explained. His store building, probably worth between \$20,000 and \$25,000, he maintained, belonged to his wife and was purchased with funds from her separate estate.

For eight days the Adjustment Bureau held out for a settlement of 100 cents, one-half cash and the balance extended and secured. This could not be obtained. Mr. Lantin threatened voluntary bankruptcy unless we could compromise his indebtedness. The Bureau finally got him to the point where he was willing to pay seventy-five cents cash on the dollar, and had him make the offer in writing. The payment was to be made within fifteen days, and was to be guaranteed by parties in Arizona whom the Bureau believed to be responsible.

All of the creditors but four had accepted this adjustment at latest advices. The rapidity and success of the adjustment was remarkable. The case came to the Bureau on January 14. On February 1, the money was deposited to the credit of the Bureau for distribution, as fast as claims were proved. Only eighteen days were consumed in negotiations and adjustments.

In his circular letter of January 25th to the creditors, Mr. Yale stated, regarding Mr. Lantin's settlement:

"If his showing of present assets is correct, their realizable value will probably not exceed \$20,000, the shares of corporate stock having been already pledged to his local bank as security for a loan. If we succeed in recovering the store building to the estate, it would probably net \$18,000, bringing the total gross cash to \$38,000. As the adjustment will represent a payment of \$45,000 cash, it would require the discovery and obtaining of assets over and above the amount mentioned, in itself problematical, of \$7,000, and enough more to pay the expenses of the proceedings. It appeared, therefore, that as a matter of economy, certainty and expediency, a cash adjustment at 75 per cent. was better for the creditors than bankruptcy proceedings, which would have a certainty of not over \$20,000 gross, the problem of \$18,000 of the store building, the search for \$7,000 to \$10,000 in an unknown direction, and all the hazard of litigation. Mr. Lantin maintains that the store building will be used to obtain part of the funds for settlement."

Certainly this whole proceeding is an admirable example of the value of adjustment bureaus, and of the quick and effective work that can be done by them.

Another Adjustment Bureau Organized.

The Chicago Credit Men's Association issued the following letter and circular to its members under date of February 1, 1907.

Chicago, February 1, 1907.

Gentlemen:

The Adjustment Bureau of The Chicago Credit Men's Association is now in operation. The scope and purposes of this Bureau are briefly set forth in the enclosed folder. It has to do mainly with failures, and impending failures, in business. In these cases creditors recognize a mutual interest. To protect this interest by making a careful investigation of the situation, and, if advisable, taking charge of the assets and realising thereon in the quickest, surest, most advantageous and economical way for all alike, this Bureau has been established.

We believe the undertaking will appeal to you as deserving hearty co-operation.

Yours truly,

THE CHICAGO CREDIT MEN'S ASSOCIATION.

Adjustment Bureau Committee: H. Fornoff, Chairman; C. E. M. Newton, S. J. Whitlock.

THE CHICAGO CREDIT MEN'S ASSOCIATION.

ADJUSTMENT BUREAU.

What it is—A reliable medium for the concerted action of creditors in obtaining a quick and inexpensive adjustment of insolvent or embarrassed estates. Primarily, it is *not a collection agency*.

What it Does—1. Acts as assignee, trustee or receiver in bankruptcy cases or otherwise; takes title to stocks of merchandise and other assets, by consent or otherwise, converts the same and distributes the proceeds, or when advisable undertakes to continue in temporary operation the business involved.

2. At the request of any member of the Association, investigates the affairs of a debtor reported to be insolvent or financially embarrassed, on the express understanding, however, that if the debtor is found insolvent or in a failing condition then the Bureau ceases to represent the indi-

vidual creditor at whose request the investigation is made and at once notifies all known creditors, tendering its services for whatever action in their behalf the particular case may require. The expense of such investigation, and a fee to be fixed by the Bureau, must be paid by the member requesting the investigation. Provided, however, that if the estate of said debtor is taken charge of and administered by the Bureau then the fee and expenses paid for the investigation will be prorated among the creditors.

3. On terms to be agreed upon, lends its aid and influence to creditors requesting the same in securing the appointment of capable and efficient receivers or trustees, and a proper accounting by such, where court proceedings are instituted.

4. By consent of the Board of Directors, undertakes the prosecution of dishonest debtors.

5. Co-operates with Adjustment Bureaus of other cities by endeavoring to obtain the assignment of claims of Chicago creditors in out-of-town failures and by promptly forwarding the same to the local Bureau where the failure occurs. On all such claims local Bureaus pay us one-third of the fee charged by them.

What it Charges—The Bureau is not established or maintained for pecuniary profit. It aims and expects to be self-supporting only. Charges for its services are regulated to make the income cover expenditures. Where the Bureau or its manager handles as trustee a bankrupt or insolvent estate a fee equal to five per cent. is deducted from dividends due our members, and from dividends due outside creditors a fee of seven and one-half per cent. is deducted, subject to change in special cases.

Adjustment Bureau Committee: H. Fornoff, Chairman, Carson, Pirie, Scott & Co.; C. E. M. Newton, Reid, Murdoch & Co.; S. J. Whitlock, Belding Bros. & Co. Manager, M. C. Rasmussen; Office, 218 La Salle Street, Chicago; Telephone, Main 1819.

Average Clause in Blanket Insurance Not Recommended.

One of the members of a California Association has written to this committee, and submitted what is known as an Average Clause, which is a rider attached to a Blanket Insurance Policy, whereby stocks and merchandise in two separate buildings are supposed to be insured jointly. He has requested that a detailed explanation be furnished as to the settlement which would be affected in the event of loss on either or both properties.

The principal clause in this Average Clause rider, reads as follows:

"It is hereby understood and agreed that in case of loss this policy shall attach in each of the two buildings in such proportion as the value in each building bears to the aggregate value of the property hereby insured."

This clause alone, in the event of a fire or total loss would mean the loss of considerable money to the party insured, and we would explain the matter in the following manner:

The clause referred to in this form is what is known as the Average Clause. Its chief effect is to eliminate the blanket feature from what might otherwise be a blanket form, and really transforms a blanket form into a specific one.

The practical workings of this Clause are as follows: Suppose the insured had two buildings, A and B, with a total value therein of \$10,000 and total Insurance of \$10,000. If the values in building A and building

B are equal, namely, \$5,000 each, the recovery under this set of facts would be full, namely, in a loss on building B the insured would recover under the terms of the clause 5-10 or $\frac{1}{2}$ of the amount of insurance, or \$5,000, which really amounts to two specific items of \$5,000 each on the contents of each building.

If the values were \$6,000 in building A and \$4,000 in building B and the amount of insurance equal to the aggregate value, the recovery would still be in full, and not be affected by this clause.

Suppose, however, that the aggregate value were \$15,000, distributed as follows: Building A, \$10,000 and Building B, \$5,000, with total insurance of \$10,000. In this case, in a total loss on Building B the insured would recover one-third of the amount of insurance or \$3,333.33, and in the same proportion on Building A. Without this clause the insured would recover the full amount of \$5,000 in a loss on Building B, and could in any case recover the full amount of his insurance and would only lose the difference between the amount of insurance and the aggregate value. Many persons carry a blanket form with this clause inserted, and labor under the impression that they have all the advantages of a blanket form, whereas in reality it is a specific form. It can be also seen that it differs radically from flat insurance.

We therefore feel justified in stating that in the event of a total loss, the insured would be able to recover a far greater proportion of his loss if he would carry either co-insurance or straight insurance than he would be able to recover under the present conditions with this Average Clause attached, and we hope that our members will investigate their insurance, and be satisfied that this clause would operate against them in the event of a loss.

Yours very truly,

FIRE INSURANCE COMMITTEE,

GEO. W. RYAN,

Chairman.

The Spirit of Helpfulness.

AN ADDRESS DELIVERED BY GEORGE G. FORD, BEFORE THE ROCHESTER, N. Y., RETAIL DEALERS' ASSOCIATION.

"My only excuse for appearing here this evening is to evidence my appreciation of the honor conferred upon me by your committee through whom the invitation to speak was extended, and to voice my hearty good wishes for the success and usefulness of the organization which you have so successfully effected, and which, as I understand it, is for the purpose of the general improvement of the business conditions of retail merchants along broad and progressive lines.

"Organization in the sphere of business has been the dominant idea for the last decade. By and through it wonderful accomplishments have been made. Many of the so-called trusts have reached the zenith of their strength and prosperity within this period, and while it is a debatable question as to whether or not some of them are against the public welfare, yet they nevertheless offer an indisputable evidence of the effectiveness of concentrated effort and purpose.

"Every man may and does exert influence. Many men working singly with the same idea in mind will multiply influence, but the concerted effort of a cohesive and well-organized body of men, will, if wisely directed, make for the highest order of influence and attain the maximum of power.

"That your organization is needed is self-evident, as business men whose time is so fully occupied as yours is, do not contribute time, effort and money for purely beneficent purposes unless the need of such organization is imperative.

"That there is a fruitful field in which to work will be readily admitted, and that you may be successful in your efforts is proved by the success of other and similar efforts, and I am not alone in wishing you the highest degree of worthy accomplishment.

"The retail merchant is an absolute necessity in this, or any other land. Through him the people are fed, clothed and supplied with all the necessities and luxuries of life. He is the last link in the stupendous chain of barter and exchange. The products of mine, forest and field are distributed by him to the consumer. Upon him the producer, manufacturer, importer and wholesaler are almost wholly dependent for the business which they enjoy. Occupying this position, your trade relations with others are unique. You have the wholesaler on the one hand and the consumer on the other, each involving trade relations quite dissimilar. To reach any degree whatever of success in your enterprise, calls for the exercise of care, good judgment and business sagacity.

"The great number of well-kept, attractive and prosperous stores in this city attests the fact that the retail merchants of Rochester, many of whom are members of your organization, are not wanting in the qualifications mentioned, and those of us who have the privilege and pleasure of daily business relations with you recognize this as a fact and take pride in it.

"You have been led, no doubt, in forming this organization by the desire to correct certain objectionable practices peculiar to the retail business, and in a general way to promote your common welfare. It is my desire to emphasize one possibility for good to which your attention may not have been particularly called.

"Competition is undoubtedly the life of trade; without it men grow arbitrary, selfish and shortsighted. With it merchants in many cases have become jealous, unfriendly, and even vindictive. This is history and is not confined to the retail trade. Competition is nevertheless a great and vitally essential balance wheel. Under it, many of our greatest business enterprises have attained their greatness. It is a constant spur to energetic application to business, and without it these same great enterprises would languish and decline. Just enough of it would be ideal, but as we do not attain the ideal in this life, we must meet the conditions that exist.

"You have doubtless experienced the effects of unjust, unbusiness-like and unnecessary competition, and I desire to suggest the bettering of these conditions as one of the most fruitful of the fields of labor before you. It is within your province and entirely possible for you by working upon broad principles and along generous and helpful lines to break down prejudices, cure animosities and build up friendships without abating one whit your efforts to secure business and make profits. You will find that you have not done this for philanthropic reasons alone but that your business conditions will improve in the proportion as the objectionable things are eliminated.

"A dozen years ago, Mr. D. B. Murphy, of this city, with a few other far-seeing men, met in a Western city and organized a business men's association, national in scope, known as the National Association of Credit Men. This organization was formed upon the broadest of lines and with the highest of purposes, and to these, during its years of mar-

velous growth, it has rigidly adhered. It has been my privilege to be a member and an interested observer of the progress and effect of the activities set in motion by this handful of prominent business men. I think that it is safe to say that the results attained have far exceeded the most sanguine expectations of the organizers.

"At the inception of this organization there were exactly similar conditions prevailing, though, of course, peculiar to the wholesale and manufacturing business, that you find objectionable in your own field of merchandizing, and I am proud to say that the beneficent results reached have been even greater than those pointed out as possible for you. With the disappearance of distrust and suspicion formerly held by jobbers and manufacturers far and near, there has grown up a spirit of helpfulness and friendliness alongside an increased competition. I think that no retail merchant has been conscious of any less determined effort on the part of these institutions to secure business. This spirit, indeed, has proved a leaven which has in a measure leavened the whole business community whether within or without the organization referred to.

"What has made this possible? A liberal, broad and humanitarian policy consistently adhered to and intelligently directed and followed. And what are the results? Vastly better business methods, and a far better spirit prevailing among those who are in fierce though friendly competition, and a changed attitude toward, and a more intelligent understanding of, the retailer and his problems; in fact a general desire for friendly co-operation with the retailer and with one another.

"You have been wise, I believe, in making your organization general instead of confining it to a particular branch of business. I trust that you may be led to develop this idea, for in it I see that which will the most readily disarm suspicion and command confidence. Besides this there is wisdom in a multitude of counsellors. It is my belief that if you will keep your organization free from politics and internal dissension, and will approach all questions with a broad and liberal spirit, your success and usefulness will be assured. Personally it will be a pleasure if it should be possible for me to contribute in the least degree to your advancement, and while I do not speak with authority, I believe I am within the truth in saying that I bring you the greetings and best wishes of the wholesalers and manufacturers of this city.

"A word as to your relations with the wholesalers. A moment ago, I pointed out the fact that they almost wholly depend upon you as retail merchants for their business. I desire now to call your attention to the fact that the retailer is equally dependent upon the wholesaler. How many of you could remain in trade if the jobber were eliminated and you were dependent wholly upon the manufacturer and importer? Have you ever fully realized how vast are the sums of money invested in merchandize and stored in the jobbers' warehouses for your use and benefit, subject to your call at any time, and in almost any quantity? Speaking for them, therefore, I ask you as a body and as individuals to consider this fact carefully, and to regulate your policies, individual and organized, by, and with a full recognition of, the community of interests between us. With this we shall treat with one another on a fair and reasonable basis. In short, organized co-operation is far more effective than organized antagonism.

"If I am not boring you or exceeding my time limit I would like to say a word concerning retail credits. I shall speak more from observation and the experience of others than from any actual exper-

ience of my own; still I believe that you will admit the truthfulness of such statements as I may make.

"It goes without saying that the cash system is the ideal one and blest is the merchant who can conduct his business on that basis, but as I have said, the ideal is difficult of attainment, and in many cases, retail credits seem an absolute necessity.

"The next best thing, therefore, is to improve the conditions. There is no doubt that during a considerable term of years changes for the better have been effected, but the process is a slow one. It is said that in the early history of our own times the retail merchant was in a particularly unenviable position, as he had to be a brave man, indeed, who dared either to refuse credit or enforce collections. These were the times when the pistol and the rapier settled more disputes than the courts. Men's honor, so-called, was more easily impugned, and the man who was declined credit, or who was asked to pay his debt, was often deeply aggrieved and as a rule sought satisfaction in a duel. So the poor merchant was between two fires; he must either fight or be branded a coward, or he must be content to be preyed upon by his swash-buckling debtors and charge those who did pay, outrageous profits.

"We have, of course, long since outlived that condition, but unfortunately there is enough of the old spirit left to make the average consumer who is the recipient of your favors singularly indifferent to your needs and his obligation. I believe that the trouble with retail credits is wholly because of a general misplacement of the obligation made when a credit is granted. My contention is that he who extends the credit, be he retailer or wholesaler, is the party who grants the favor. You will agree with me that consumers generally to whom you grant these privileges, take the opposite view of the case, and until the public at large can be educated to realize that the balance of the obligation is in your favor, it will be difficult to shorten and curtail credits without some sacrifice in the way of trade. There is a mutuality of interest here, but it is not recognized. The public does not see that a shortening in time, and a curtailment in volume, of credits tends to the elimination of losses and the reduction of interest charges which would in turn result in the cheapening of merchandise to those same consumers. This, gentlemen, is a problem which must be solved as competition increases and margins of profit on staples decrease, and you gentlemen may, I trust, do something toward its solution in this community. Short settlements make long friends. Truer words were never spoken, but besides friendship they result in increased profits and greater comfort in doing business for all concerned. Have the courage to say, "No," whenever your better judgment tells you that a certain credit should not be made. Goods on the shelves are a far safer asset than accounts on your ledgers. A reasonably sure profit on a conservatively conducted business is far better than a possible larger profit on an increased volume of business done under hazardous conditions.

"In short, conditions of health and conservatism in business circles, and particularly in connection with the extension of credits, will be the one and only thing that will keep our business craft away from the rocks and shoals of panic and financial disaster."

Loose Leaf Books as Evidence.

What standing has the loose leaf system in the courts of this and other countries? Is or is not this system, if applied to the copying of

letters of enclosure and remittance in banks, of equal standing in the various courts with the bound book system?

Answer—In 1905, the writer, as a result of numerous inquiries, made quite a thorough examination of the authorities on this question, the result of which he made public in the *Banking Law Journal* for July, 1905, as follows:

A correspondent writes asking "as to the admissibility in evidence of loose-leaf books," and for citation of any decisions which have been rendered by the courts on this point. We find no decisions of any of the higher courts bearing upon the admissibility of loose-leaf books as a distinctive form, but believe they are admissible as evidence, to the same extent and for the same purposes as bound books of account, while having certain decided advantages in respect of convenience.

"A notched stick, pieces of board sawed out of a corn-crib, and boards upon which the measurement of lumber were kept, have all been held good books of original entry, and receivable in evidence."—*Cather vs. Damerell*, Neb. Sup. Ct., 1904; citing *Rowland vs. Barton*, 2 Har. (Del.), 288; *Pallman vs. Smith*, 135 Pa. 188.

"The manner of keeping the accounts and their purpose, is the important consideration, rather than the form of the books themselves."—*Post vs. Kenerson*, 72 Vt., 341.

Where accounts offered in evidence as books of original entries had been started in a small pass-book and continued on sheets of paper attached together, and were objected to on the ground that the entries made upon the sheets were not made at the time of their respective dates, the dates not all being in chronological order, and the ink having the appearance of being fresh, indicating that the entries were made simultaneously, it was held the account was admissible for whatever it was worth, going to the jury subject to criticism and cross-examination.—*Moore vs. Morris*, 41 Atl., 889.

Where account books had become shop-worn, the outside covers and some inside pages lost, the threads binding the leaves in some cases loosened and leaves fastened together with a pin, held, admissible, their condition being a matter going to their weight and credibility with the jury.—*Weigle vs. Brautigam*, 74 Ill. App., 285.

We are not aware of any higher court decision specifically relating to the admissibility of loose leaf books as evidence since the time when the above was published, nor bearing upon the weight or creditability of such evidence, as compared with evidence afforded by a bound book. We have no doubt that loose leaf books are often introduced in evidence in the trial of cases and given the same worth and weight as if the leaves were bound together. If there is any distinction between the loose leaf system and the bound book system with respect either to admissibility in evidence, or weight and creditability of the evidence when admitted, as compared with the same evidence offered in bound book form, the higher courts have yet to pass upon it.

The Retailer's Attitude Toward the Credit Man.

In a recent number of *The Furniture Worker* there appeared an illuminating article by Henry A. Meyer, credit man of the Wisconsin Chair Company, on the necessity and service of a better understanding between the retailer and the credit man. In pointing out that the retailer is too often inclined to regard the credit man of a wholesale house as coldly critical, and even suspiciously inquisitorial, Mr. Meyer is stating

what unfortunately is often true of the retail merchant's attitude. That the retailer does the credit man a gross injustice in assuming this unwarranted view is a fundamental truth which is more and more being impressed upon the retailer. It is sometimes hard to dispel prejudice based upon erroneous premises but such articles as Mr. Meyer's will help to drive home the idea to the retailer that the credit man is essentially his best and most prudent friend, and that the credit man's services redound to the retailer's own good interests. We take pleasure in reproducing Mr. Meyer's article in full. It reads:

"Credit is based on the supposed ability of the debtor to pay the amount for which he becomes indebted. That supposed ability is based on what is known of his honesty, capability and financial resources. In order to judge as to the above qualifications, every business house has a department whose duties are to look after its debtors, pass on all orders or loans, and this department is under the management of a credit man. This subject is directed mostly to the retail merchants who are constantly seeking credit, and the object of this article is to assist in placing the credit man and the retailer upon the most friendly basis possible.

"There seems to be an opinion prevailing among retail merchants that the credit man of the wholesale house is one who is not in a position to be upon friendly terms with the retailer, but is the one who is forever suspicious of the retailer's dealings. This is entirely wrong, for, as a matter of fact, the credit man is the best friend the retail merchant has. The interests of the two are mutual, and by reason of the large business experience in handling credits which the credit man has, he is able to assist the retailer in his business management. The credit man is not, as some think, one who sits at his desk and wonders if every dealer in the country is trying to beat him, and therefore is on the defensive at all times. He is one who must look over the retailer's entire field, and estimate his chances and possibilities of success or failure. The credit man has the best possible motive to make the business of the customers a success, and is always ready and willing to give the best advice possible upon any matter presented.

"Of course it is to his interest that collections shall be good, but he desires especially that all his customers may succeed, because his success depends upon their success.

"There never was a time within the memory of man when the credit men of this country were so busy as they are now, for the general prosperity increases marvelously the amount for which one feels able to run into debt, and requests for permission to open accounts were never so numerous as they have been this past year. And there never was a time when the credit men were as good natured as they are now, for the number of bad debts is comparatively small when taking into consideration the large volume of business done.

In order to establish a more friendly relationship between the retail merchant, or debtor, and the credit man, it will be necessary to review the duties and responsibilities of the credit department, then place ourselves in the position of the credit man, and judge for ourselves just how we would act.

"First let us see what qualities a credit man must possess. He must be patient, judicious, methodical, with a bent for investigation, must be a pretty fair judge of human nature, must have the power of rapid and close analysis, and must be able to read between the lines of a report whether it be from the commercial agency, person, firm or corporation under consideration. He must be proof alike against prejudice and per-

sonal influence, and finally must know when to say yes, and when to say no.

"The difficulties which were in the way of the credit man from 1893 to well into 1897 were terrific. Men who had been counted good for large loans, and whose credit at the stores had always been of the best, were found unsafe to trust. The situation with regard to buyer and borrower was changing almost daily, and in order to keep a grip on the situation it was necessary to scan with an eagle eye all the commercial agency reports, newspapers, etc. The extension of credit in one direction might burden his employers with a bad or a slow loan that might prove embarrassing, while refusal of credit on the other hand might drive away thousands of dollars worth of trade.

"The average credit man felt that the weight of the whole establishment was on his shoulders, and as far as his employers were concerned, it often was.

"In many cases he might make or break the business on one decision, and there is no doubt that more than one comparatively small concern weathered the storm because of the credit man's good judgment, and more than one went to the wall because of his fault. So it is at the present date, and the retailer or debtor, should take into consideration that his account is not the only one the credit man has to deal with. His firm has large bills to pay, and the credit department is supposed to place matters in such shape that sufficient money will be coming in when his firm's bills are due. If you are behind in your accounts, and are reminded, don't jump to the conclusion that you are looked upon as a bad egg, but if for good reasons you cannot pay the bill at the time, write to the house, or, better still, call and explain matters, and in nine cases out of ten, the credit man will pull you out of your difficulty, and without any extra charge. Every retail merchant should be willing to take the credit man into his confidence, for in allowing the retailer to become a debtor to his house, he has in one way gone in business with him, and he has the right to know the financial condition of the debtor; and, as I stated before, it is the credit man's earnest desire that the retailer's business shall succeed and justify the judgment of the credit man.

"I trust this article will place the credit department in a different light with the retailer, and that previous hard feelings and wrong impressions will vanish in those cases where the debtor feels he has been pressed because of a slow account."

Marks on Co-operation.

At the annual meeting of the Leather Belting Manufacturers' Association held recently at the Fifth Avenue Hotel, New York City, Marcus M. Marks made an eloquent, convincing address on the benefits of coöperation. Mr. Marks gave a comprehensive idea of the success, which has been derived from coöperation in other lines of business in which he is interested. The members of the Leather Belting Manufacturers' Association listened with the deepest interest and appreciation; and it is anticipated that they will adopt the same methods which have resulted in such marked progress in other forms of industry. Mr. Marks' address was as follows:

"The idea of 'going-it-alone,' or what may be termed the 'Robinson Crusoe' method in business, is about dead. In contradistinction to this, the rapid growth of the trust in recent years shows the extreme limit of the development of the tendency toward getting together; toward the socialization of business.

"There was a time not so many years ago when dealers guarded the secrets of their ledgers even from their most immediate neighbors. Then came the period when credit conferences among neighbors and other friendly merchants began to be common. The present custom of general interchange of references in the credit department next developed. At first, detailed information was frequently withheld, and in some cases a mysterious and often misleading shrug of the shoulder was all that was given when inquiry was made about a customer's standing. The next step forward is to the complete and systematic exchange of specific and exact credit information for mutual benefit. In many trades this system is already in successful operation. I may mention, among others, the clothing, hat, fur, jewelry, tobacco and paint trades. It will not be many years before the grand commercial circles will include all lines of business.

"The Clothiers' Association has operated with great satisfaction for the last twenty-three years. Its membership now embraces about two hundred and fifty leading firms in the twelve great clothing centers, this being over ninety-five per cent. of all the representative manufacturers in the United States. Among other things, these firms exchange daily credit information as to customers inquired about. The amount of purchases, debts and other details of an account are thus learned with a minimum expense of energy, time and money. Not only are cases of overpurchase detected in time to prevent fraudulent failures, but in some instances perfectly honest but careless buyers are saved from ruin by having the evidence of their condition placed clearly before them.

"To secure this information without the medium of association would be next to impossible. Think of the trouble and expense of sending to two hundred and fifty merchants daily for information!

"Now what are the obstacles in the way of general credit coöperation?

"*First:* Some merchants still refuse to reveal the so-called secrets of their ledgers, fearing to prejudice their own interests.

"*Second:* Some withhold information on the plea that they do not wish to injure their customers' credit by exposing their true condition.

"*Third:* Some are unwilling to give up the benefits of their own highly perfected credit offices in exchange for the benefits of other offices which they claim are inferior.

"*Fourth:* Many have no confidence in their fellow-merchants, and fear that their reports will not be reliable.

"Let us take up these objections *seriatim*:

"*First:* If a merchant is right in assuming that he will lose by revealing the condition of a 'pet' account, then he must admit that his fellow-merchants would be the gainers if they had the information that he guards so carefully. If this is so, he in turn would be the gainer whenever his fellow-merchants reveal the figures of their 'pet' account. In which case, as a member in an association of two hundred and fifty firms, he would be the gainer two hundred and forty-nine times to the one time, when he would be the loser. I have never heard an answer to this strong argument in favor of coöperation.

"*Second:* Regarding the supposed injury to customers' credit by the frankness of credit interchange, it is found in practice that the danger of injuring a customer by stating his true condition is very limited. On the contrary, actual figures usually do less harm than indefinite intimations and impressions. The plain truth dispels exaggerated fears, and it has been found that credit is frequently given when facts and figures are

stated, which would otherwise be withheld. In addition to the fact that concealment of the truth is unethical, being intended to deceive our fellow-merchants it is also, as I have argued, frequently very unwise. Credit is injured only where it should properly be curtailed on the evidence submitted. No injustice should be done, though, as a prime consideration, we should bear in mind the fact that this bureau among merchants is not formed for the protection of buyers, but rather of its members, the sellers.

"Third: Answering the third objection, I advance a similar argument to that noted in number one. No matter how expensive and valuable the credit office of any one firm may be, it is not as expensive and valuable as the combined credit offices of all the other members of an association which he is asked to join. He will, by joining, therefore, receive more benefits than he will give.

"Fourth: The lack of confidence between fellow-merchants is one of the most serious obstacles in the way of coöperation. It is quite true that human nature is not perfect, and that not all merchants are absolutely truthful at all times. But an interesting fact has developed in the evolution of this movement, and that is, that the same merchant in whose individual business the ethical standards are far from high, becomes a better man and a more reliable merchant as soon as he joins the Association with his fellows. It is found that pride or fear, or both, raise him at once to a full appreciation of the necessity of truth and candor in his statements. I can vouch for it that in the Clothiers' Association, whose members do not claim to be angels, we have for twenty-three years, with the rarest exceptions, been getting the truth, the whole truth and nothing but the truth; and I hear that other associations have had equally satisfactory experience.

"The objections being, I hope, satisfactorily disposed of, I may add that the positive advantages of association for credit co-operation are beyond calculation. By the interchange of facts and figures you get the buyer's condition to-day—not last season or last year. This 'up-to-date' report is the best guide for the credit man. By means of credit co-operation you get references which the buyer does not give you, and thereby avoid the misleading reports of those firms with whom he may be keeping a clean score for the very purpose of reference. It must further be conceded that a combination to prevent or anticipate failures is even more important and valuable than a combination to punish dishonest debtors or get larger dividends after failure. In other words, the proverb, 'an ounce of prevention is worth a pound of cure,' still holds good.

"One might assume that retailers would not view with favor an association for credit interchange among wholesale merchants. On the contrary, they are in perfect sympathy with such movements, recognizing the fact that you protect every honest retailer by keeping him free from illegitimate competition when you prevent dishonest buyers from getting their goods.

"If, however, for no other reason than to raise the tone of trade, it is well worth while for merchants to get close together. How much more pleasant business life is when a spirit of friendship and confidence prevails. And taking into account the great share of our lives spent in business, how important it is that the atmosphere which surrounds us should be clean and inspiring—that the spirit of brotherhood should prevail far and near."

The National Association of Credit Men.

AN ADDRESS DELIVERED BY A. D. THOMAS AT THE ANNUAL MEETING OF THE YOUNGSTOWN, O., CREDIT MEN'S ASSOCIATION, ON JANUARY 16TH.

"This institution, in one sense, is a rare exception. It contains no old members who have grown gray in its ranks. It is true that its membership embraces many men who have aged in the service, but as members of the Credit Men's Association they have brought their whitening locks with them into the fold. In one sense we are to be congratulated because of the infancy or present early childhood of the Association. We avoid being warned by old-timers that we are violating all the old landmarks and besmirching the ancient mile posts of an Association that had its legends and traditions leading back away past the Middle Ages, and that unless we look out we will crash upon the rocks of inexperience and land either in the poor house or in the county jail.

"The fact remains, however, that we have smashed all ancient beliefs so far as they pertain to the conduct of the men who occupy positions at the credit desks of the country to-day. Little by little, and step by step, we are coming up with the truth that has been plain since credit began, but which men, in their selfishness, have refused to acknowledge.

"It has been but a short time since the general belief began to wane that all men engaged in the same line of business should be sworn enemies personally and commercially. Two men in the same block, if engaged in the same line of business, would hardly recognize each other. This condition generally existed and, in some localities, obtains to-day. This jealous rivalry was not only evident, but it sunk deeply into their very beings, and it was not until the very life blood was sucked out of business transacted upon a credit basis that the merchant, manufacturer and the banker, finally broke the bonds that held them slaves to the triple evil of lack of capital (both morally and financially), incompetency and downright dishonesty.

"Self preservation has at last opened the eyes of a portion of the credit grantors and, in self defense, they have risen to the occasion. The shrewdness of dishonest rascals has made the quarry hard to impound, but we are striving (the inactive and passive will drift along and ultimately reap the benefits derived), and with united efforts we will vastly improve conditions so far as they concern the matter of credit losses.

"The 'community of interests' idea has developed from small beginnings. Usually men are not impressed by the vast aggregate of money lost each year in the United States, but when their personal pocket-books are struck, they usually sit up and take notice.

"If John Jones and Peter O'Hara, neighboring competitive grocers, have both been fleeced of a good-sized amount by Bill Simpkins, they will 'come to' enough to see that a little respect for each other's rights would be a good thing for their pocketbooks, and also for their business. Had they been courteous and exercised a little common sense, they would have seen that no credit extended to Bill Simpkins would have had a two-fold benefit. First, it would have averted the direct loss of goods and second, it would have given extra time on the part of employees to better serve the wants of cash or good-credit customers.

"All over the nation this knowledge was being gained by bitter and repeated experiences, which finally led up to an effort to better existing conditions. The progress has not been easy and many pioneers

have labored manfully to raise the standard of credit, and of true, as well as of enforced, honesty.

"There is a big difference between genuine honesty and the kind known as the legal brand. The pathway has been beset by commercial sharks and shrewd lawyers. Just last week, in conversation with a prominent commercial lawyer, he told me that the Adjustment Bureau of this Association was beating him out of a lot of fees, and he was frank and honest enough to admit that we were taking the money from the lawyers and giving it to the legitimate creditors. Now does that not seem a very proper thing to do? Credit men and credit grantors are beginning to see the eternal fitness of things, and so all over this broad land Associations of Credit Men are springing up to the everlasting benefit of commerce and manufacture in all its branches.

"There are many ways of pushing along this commendable work, if you do not want to take an active part in the 'band wagon.' In my limited time, it is impossible to give properly or fully sufficient consideration to the many ways that the work of bettering conditions generally may be helped along by every man interested in the question of credits, whether they affect merchandizing, manufacturing or banking.

"Here about this table is an example of the social theme, the benefits to be derived depending proportionately upon the force and power, both inert and active, of the individual. If you are a grantor of credit, help the honest man along by limiting your line of credit to his rascally competitor. You know that keen competition often makes an otherwise honest man seek the protective mantle of the bankruptcy courts, much to your chagrin, disgust and financial loss. Many fine mansions and business blocks too have been erected and maintained with money that never did, and never will, rightfully belong to the legal title holders. The tricked credit man or the swindled firms will not receive a formal acknowledgment for their foolish and thankless contributions.

"The free granting of credit makes poor merchants. That many times turns out to be a curse rather than a benefit to the retailer. In the rush to increase sales, how easily we forget the practical lessons that are daily brought to our notice. Every credit man who has had an extended experience has been told by hard-up debtors that it would have been better for them, both in reputation and pocketbook, if the credit man had not been so lenient and had insisted upon prompter payments upon obligations due. Thus, intended assistance and kindness turn out to be a blight and the credit man receives the blame for the condition. So it is that we get kicks and not thanks for our supposed kindnesses. As a last resort many a debtor contrives to wiggle along the required four months after making a transfer of hidden assets; then he makes a break for the nearest United States District Court and files his application for the statutory or legal exemption which will absorb all his remaining tangible assets, or he will dispose of his holdings in bulk, pocket the money and instantly decide to locate in a healthier climate.

"There may be 'Balm in Gilead' for such seemingly crooked craft, but our commercial and financial salvation is through the passage of more just and equitable laws that will make the way of the dishonest tradesman so full of thorns that we may be allowed to enjoy the flowers. All good and worthy things live and survive by what is before them. Nothing can boast of great usefulness because of a glorious past.

"No one man is wise enough to corner the business of this broad land. When you are working at your credit desk wrestling with the knotty problems that daily come to you for solution, it is indeed a con-

soling thought to feel and know that throughout this land there is a potent force working to uplift the standard of commerce, and that credit men wherever you find them, are willing to impart information that will help you and at the same time do them no harm. The consolation and benefits derived are twofold:

"It is twice blessed;
It blesseth him that gives,
And him that takes."

Reasonable Excuses for Delayed Payments.

"N. H. Co., Tex.

1-14-07.

"Pleas Find in Cloosed Post offis order for \$5.85. Pleas giv me creadit & oblig yo Frend

J. J. M.

"woud of sent it Befor now I hav ben donn with my Bowells Locked besides @ Gravell Stone pasen from my Kidnes for 6 days wous the cos of my delay.

By By

J. J. Mc."

"Mr. H. dear sir

Dec. 14th, 1907.

"I have had bad luck I borke my govnore and had to lay over A While but I will ship A car soon and I Will send you that money and I will pay you six cent intrest.

M. F. Y.

yours for success."

CREDIT AND COMMERCIAL CASES FOR THE MONTH.

Prepared for the Bulletin by George H. Murdoch, Jr., St. Louis, Missouri.

Bankruptcy With Single Debts—No Assets.—A debtor having but one debt and no assets to which the trustee can take title may become a voluntary bankrupt under Section 4, Bankr. Act July 1, 1898, C. 541, 30 Stat. 547 [U. S. Comp. St. 1901, p. 3423], which provides that any person who has "debts," except a corporation, shall be entitled to the benefits of the Act, Section 1, Subd. 29, providing that words importing the plural number may be applied to and mean only a single person or thing.—*In re Schwasinger*, 144 F. (U. S.) 555.

Bulk Law—Constitutionality.—It is within the police power of the Legislature to adopt reasonable measures for the regulation of sales of merchandise in bulk, so as to prevent fraud.—*In re Paulis*, 144 F. (U. S.) 472.

Buyer's Right to Rescind.—That a traveling salesman falsely represented to the vendee of certain goods that he had made sales of similar articles to a competitor engaged in the same business, in the same place, as the vendee, in evidence of which he produced a fictitious contract of sale to such competitor, is an artifice used to cheat or deceive another, within the rule avoiding a contract of sale for fraudulent misrepresentations.—*Roebuck vs. Wick*, 107 N. W. (Minn.) 1054.

Draft as Payment.—A draft is not payment, until itself paid, unless there is evidence that it was the intent of the parties that it should be so treated.—*Kinard vs. First Nat. Bank of Sylvester*, 53 S. E. (Ga.) 1018.

Executed or Executory Contract.—A contract for the sale of a stock of millinery goods, under which nothing remained to be done to determine the quality, quantity, or value of the goods, and all that remained to be

done was to check up the invoice furnished by the seller to ascertain what deduction should be made on account of goods sold out of the stock subsequent to the time the invoice was furnished, was an executed, and not an executory, contract.—*Thomas vs. Thomas*, 41 So. (Ala.) 141.

Express Excluding Implied Warranties.—A contract of sale containing an express warranty excluded the idea of any other warranty.—*Thomas vs. Thomas*, 41 So. (Ala.) 141.

Exempt Horses, Exempt Mules.—The term "work horses" used by the constitutional exemption provision, includes mules.—*McElveen vs. Goings*, 41 So. (La.) 229.

Levy of Execution on Bulky Property.—Where an officer levied execution on certain property and thereafter left the property for some six weeks in the possession of one claiming adversely to the execution defendant, the officer lost his special property in the goods levied on; there being no evidence that during the six weeks' interval he did anything to maintain possession or control of the property. Rev. Laws, C. 167, Sec. 45, relative to the attachment of goods or property which cannot be easily removed by reason of its bulk, does not apply to the seizure of goods upon an execution.—*Field vs. Fletcher*, 78 N. E. (Mass.) 107.

Mistaken Sale—Passing of Title.—Where, at the time of the sale of a table, neither the vendor nor the vendee knew or had reason to believe that there was money or other thing of value therein, a pocketbook and contents, hidden in a drawer thereof, did not pass.—*Evans vs. Barnett*, 63 A. (Del.) 770.

Principal and Agent.—Whenever a general agency has been established for any purpose, all persons who have dealt with the agent have a right to assume that his authority to deal with them in behalf of his principal continues until notice, express or implied, has been conveyed to them that the agency has been revoked. It follows that, until notice has been brought home to them, the acts of the agent within the apparent scope of his authority will be binding upon the principal, even though the agent may assume to act in his representative capacity after his authority to do so has been revoked.—*Burch vs. Americus Grocery Co.*, 53 S. E. (Ga.) 1008.

Retention of Possession by Mortgagor.—Where a chattel mortgage of a drug stock provides that the mortgagor shall keep the stock up to its present standard, and not permit it to run down, and that, if the notes secured thereby are not paid when due, the mortgagee may take possession and sell the stock in the usual conduct of business to pay the notes in default, it is not on its face fraudulent as to creditors of the mortgagor, since it gives the mortgagor no authority to sell the goods without accounting therefor.—*Fleisher vs. Hinde*, 93 S. W. (Mo.) 1126.

Rights of Creditors Holding Waiver Notes.—A creditor of a bankrupt, who holds a note containing a waiver of exemptions, is in the position of a secured creditor; the exempt property being in effect a security for his debt. He may prove his claim for the purpose of participating in the bankruptcy proceedings, as provided by Bankr. Act, July 1, 1898, C. 541, Sec. 57 E, 30 Stat. 560 [U. S. Comp. St. 1901, p. 3443], and the value of his security should be determined in accordance with the provisions of Section 57 H, by converting the same into money, if it can without unduly delaying the distribution of the estate, and, if not, by agreement with the trustee or by submitting the question to a referee, the amount, however determined, to be credited on his claim, and open the balance due he is entitled to dividends.—*In re Meredith*, 144 F. (U. S.) 230.

Validity of Bulk Sale.—The sale by a retail merchant of his entire stock is a transaction out of the ordinary course of his business, which puts the purchaser on inquiry to ascertain the true condition of the seller's business and circumstances, and where the seller was insolvent, and within four months thereafter was adjudged a bankrupt, and the sale was in fact made to hinder, delay, or defraud creditors, in order to sustain his title, under Bankr. Act, July 1, 1898, C. 541, Sec. 67 E, 30 Stat. 564 [U. S. Comp. St. 1901, p. 3449], the burden rests on the purchaser to show that he took all reasonable and proper steps to ascertain the seller's financial condition and bought in good faith and for a present fair consideration.—*In re Knopf*, 144 F. (U. S.) 245.

What Constitutes Insolvency.—In determining whether or not a debtor was insolvent, within the meaning of Bankr. Act, July 1, 1898, C. 541, Sec. 1, Subd. 15, 30 Stat. 544 [U. S. Comp. St. 1901, p. 3419], at the time of the commission of an alleged act of bankruptcy by suffering a creditor to obtain a preference through legal proceedings, the test of a "fair valuation" of his property is its market value at the time the legal proceedings were taken, where that can be fairly established, and not its value as it may have been affected by such proceedings; and the property to be taken into consideration includes all of his property, whether legally exempt from execution or not, except such as may have been conveyed, concealed, or removed with intent to defraud, hinder, or delay his creditors.—*In re Hines*, 144 F. (U. S.) 142.

ASSOCIATION NEWS.

Baltimore.

At a meeting of the Credit Men's Association of Baltimore, on the evening of February 26th, it was decided to add an Adjustment Bureau to the other departments. This Bureau has now been established on a sound basis. The management is under the supervision of the Executive Committee with the aid of S. D. Buck, the Association's Secretary and General Manager. Each individual failure will be estimated and settled solely on its merits, and an agent will be employed especially to investigate each case as it comes up, instead of having a man employed all the time on a stated salary. The Adjustment Bureau is being operated in conjunction with the Credit Bureau, which has proved such a great success. The number of members of this bureau has increased from 23 to 130 in two years. In the same time the Association's membership has risen from 130 to 380.

Buffalo.

At the monthly meeting of the Buffalo Credit Men's Association, at the Lafayette Hotel, on the evening of February 21st, eighty-six members were present. W. L. Fox acted as toast-master. The principal address of the evening was delivered by C. H. Woodworth, on, "Fire Insurance as Related to the Matter of Credits." Mr. Woodworth dealt with the subject in an able and entertaining manner, speaking particularly of the great losses sustained by fire insurance companies in recent great fires. Mr. Woodworth said that no money had been made in underwriting since the Chicago fire, because all the gains had been wiped out by great fires such as those at Baltimore and San Francisco.

Mr. Fox suggested a plan for the establishment of a bureau for the interchange of trade information, but no action was taken. Ten new members were elected. It was announced by Alfred H. Burt, President of the Association, that the cause of the January meeting being postponed was because the speakers, on whom he had depended, had disappointed him.

Chicago.

The Eleventh Annual Banquet of the Chicago Credit Men's Association was held at the Auditorium Hotel, on the night of February 12th. The attendance was large and enthusiastic. William J. McMillan, President of the Association, officiated as toastmaster. In welcoming the gathering, Mr. McMillan said:

"Your presence here to-night indicates your sympathy with, and support of, our aims and objects. Our effort is toward the highest ideals in business. We want to do business safely, cleanly, honestly. We want to eliminate the dishonest debtor, and we want to make credits stand for something. We aim to reduce the "bad debt" loss, to elevate the making of credits to an exact science, and in the handling of delinquent or bankrupt estates, we propose that the creditors shall receive all that the estate pays. Will you help us?

"I desire to take this public opportunity of thanking the membership for the financial support recently extended to us in raising a guaranty fund for the adjustment bureau. I also want to thank you in advance for the fifteen thousand dollars which you are going to give us with which to entertain the National Association of Credit Men, which will meet in Chicago next June. The Chicago Association is healthy, feels strong and well, has a good appetite, and with your co-operation it will be increasingly useful in this community.

"My first duty as toastmaster to-night is a very pleasant one, gentlemen. Practically up until now, with the exception of some few special lines, the domestic trade of this great country has absorbed the energy of our manufacturers and traders. But the day is not far distant when it will be absolutely necessary to have a foreign market for our surplus. This question of foreign trade is, therefore, one that interests us intensely, as Chicago business men, having the great central market at heart. I feel that we are particularly favored to-night in having with us a member of Congress, a man from the Pacific Coast, who is giving the question of our foreign trade relations study at close quarters, and who will address us on "Trade Conditions in the Orient," Hon. Duncan E. McKinlay. Mr. McKinlay knows whereof he speaks, for he has been there. He was a member of the Taft expedition to the Philippines, and also, more recently, was a member of the Congressional Committee for the Inspection of the Panama Canal.

Mr. McKinlay spoke in part as follows:

"I presume that there is no subject other than that of credits which would engage the attention of a body of men such as this, and which is of more importance than that of the extension of trade, unless it is the carrying out of trade lines, of perfecting trade organizations by which the products of our country may be properly distributed.

"The great concentration of capital in the United States within the last ten years has changed the condition of the country. We are no longer a debtor nation. We are the creditor nation of the world. We have ample capital in the United States to finance every kind of undertaking. And so it comes about that we have the great plants in our country. We have the great industries that give employment to tens and hundreds of thousands of men, and these industries must find a world-wide market. The output of these industries may no longer be confined to the United States, else a surplus would pile up and by and by retrogression would begin to become apparent. The world last year produced in round figures seventy-five billion dollars worth of manufactured products. The United States, out of this total of seventy-five billion,

produced twenty-six billion dollars worth. The great home market of the United States, out of that twenty-six billion, consumed in the neighborhood of twenty-five billion, but yet last year we had for export one billion seven hundred and forty-odd million dollars worth of products that must find a market in some other country than a country under the American Flag.

"Our imports last year were \$1,223,000,000 in round figures. It becomes pertinent to the subject as to where we will market the surplus. It is very evident that each year this surplus will become greater. Should anything happen to clog the wheels of this vast industrial machine so as to throw it out of gear, what would be the condition of the country? We remember the situation for a few years previous to 1896, how every business was depressed, how everything was stagnated. We know the condition of the country and the people, when to-day there are thirty-five millions of workers in the United States receiving wages, and should this vast industrial machine that gives employment to this immense army of working men and women be thrown out of gear, what would be the result? And so the eyes of all thinking men in the United States are turned to the markets of the world; and you look toward the Orient; you speculate and wonder as to whether you will find a market in China, in Korea, in Manchuria. or in Japan for the products of the United States which you wish to continue to turn out for the world's consumption.

"Now, as your toastmaster has said, I have had some experience upon the Pacific Coast. I have given some years of study to the conditions of Oriental trade. I have availed myself of different opportunities to visit countries of the Orient with that purpose in view, and particularly on a visit with Secretary Taft to China, Japan and the Philippine Islands, I had some opportunity of making observations. I believe that if you expect to find a large market for the manufactured products of the United States in Japan or in China or in any country under the domination of Japan you will be seriously mistaken. The Oriental trade seems to be, at the present time, the one which gives the most attractive promise, and yet Japan is to-day beginning the organization of her country along industrial lines in a way that in ten years will astonish the world. The world woke up astonished one morning when Japanese victories were flashed over the wires. I believe that the world will be more astonished ten years from now at the absolute supremacy of the Japanese over the markets of the Orient.

"That great Empire, China, with four hundred and fifty millions of people, and Japan, with her fifty-three millions, counting the Island of Formosa, are beginning to wake up and become industrial factors. The manufacturing nations of the world have always looked to the Orient. They are already beginning to wake up to the possibilities of twentieth century civilization and are reaching out their hands to take the tool that makes the tool. Already they are commencing to make the machine that makes machines, and by and by, instead of having eight hundred millions of people throughout Asia as the consumers of the goods of the world, we will have fully half of them as our competitors.

"There seems to be a movement on foot, under the leadership of Japan, to keep the Oriental markets for the Orientals, and make of them the great producing and industrial factor that will be our keenest competitor in the markets of the world, and we will meet such competition from them as we have never met from any nation of Europe.

"I believe that this is a subject worthy of the consideration of a splendid body of intelligent, high-class, educated business men such as

are the members of the Chicago Credit Men's Association. I believe that it is a very serious, in fact a momentous subject worthy of your consideration."

At the conclusion of Mr. McKinlay's excellent and significant speech, which the limitations of space in the BULLETIN do not allow printing in full Mr. McMillan introduced the next speaker:

"One week ago this morning," said Mr. McMillan, "over at the corner of Monroe and La Salle Streets they opened a new bank. Such was the prestige of its management that no sooner were its doors opened than the money poured in, and the total deposits for the first day were given in the public press as more than two million dollars. The man who did all this, and who incidentally performed one of the neatest deals in modern finance, is with us to-night. He needs no introduction at your toastmaster's hands. As president of the Chicago Commercial Association he has been much in the public eye, hustling for Chicago. I have great pleasure in presenting Mr. David R. Forgan, President of the National City Bank, Chicago's newest bank president, who will speak to us on 'Elusive Credit.'"

"You gentlemen deal in credit," said Mr. Forgan, "and from your standpoint credit is simply the means by which some one goes ahead to buy and buy and pay by and by. Well, that is credit; but credit is a great deal more than that. I deal in credit; have dealt in it for many years; and I sometimes wonder if I am dealing in anything that is real, if it has any real existence or whether I am dealing in a kind of a fiction. It is very hard to define what credit is, but it may be defined as that kind of an element by which the representatives of property are interchangeable one with the other. It is not air, and I think it is pretty nearly water, at least an appalling lot of things connected with finance have a great deal to do with water. You know that the definition of a syndicate is a small body of men completely surrounded by water. We talk about liquid assets; we talk about floating things; we talk about 'wash sales,' and I don't know how many other similes that we use in finance appertain to water.

"This credit that I am going to talk about is a kind of an element; to my mind it is a kind of a sea in which things may be floated, provided there is room to float them. A man's note is only a piece of paper, but it represents all the property of the maker. A railroad bond is only a piece of paper, but it represents all the property of the railroad. A stock certificate is only a piece of paper, but it represents the assets of the company that issued it. Bank balances are only figures on a ledger, a mere memorandum of how much you lose when the bank fails.

"Through credit, what we call the element of credit, one thing becomes interchangeable for another, so that when money is easy, as we say it, or rather as we ought to say—when credit is easy you can exchange your note; the railroad can exchange its bond and the company can exchange its stock certificate for bank balances which represent money. When money is tight, or, as we ought to say, when credit is tight, when confidence has been shaken, the man cannot get his note discounted, the railroad cannot float its bonds, the company cannot float its stock, although there is just as much money in the country at that time as there was a little while ago, when all three things could be done with perfect ease.

"Business is done on credit and the only real money is kept for an emergency. What does all this mean? It means that we are dealing in this wonderful thing we call credit. In the last seven years the money

in this country has increased about five hundred million dollars; bank deposits have increased about four thousand million dollars, and I don't know how many stocks have been issued, but I should guess at least ten billion. So, for every dollar of money that has come into this country in the last seven years bank deposits have increased eight dollars and stocks have been floated to the extent of twenty dollars.

"You often hear people ask, 'Where does all this money come from to buy these big issues of bonds and stocks?' It does not require money. It requires only confidence, room in the harbor of credit; not too many vessels there at a time so that there will be room to launch another one. And that is the trouble sometimes in New York. Too many vessels still in the harbor that haven't got out to sea.

"It is not gold that is the life blood of modern business. It is credit. In credit modern business lives and has its being. Credit starts enterprises, turns wheels, moves merchandise, wages war, makes civilization, not only in this country but all over the world.

"The whole world is bound together by invisible threads. The whole structure of modern business is held in place by that kind of motor power. Now, if credit is so all important we ought to know something about it. It comes from the Latin word '*credo*, I believe.' It implies faith. Every transaction performed by credit implies faith in the work, faith in the character, faith in the integrity of someone; and so I say that the whole of modern business is built on character, rests upon it. Don't be afraid that we are all going to the bow-wows. We are not. Good is greater than evil, and these revelations that we get from time to time of corruption in high places only show that the great heart of the average American citizen is true and honest. And that is what shocks us when we find that some of the greatest names in the country have lent themselves to things that are not altogether straight."

Following Mr. Forgan's address, which was attended frequently with great applause, Rev. Dr. John H. Boyd, a Southerner, spoke on "A Serious Look Southward."

Dr. Boyd's address was a discussion of the negro question. He was followed by Professor Floyd R. Mechem, who spoke on "Individual Responsibility for Corporate Conduct." Prof. Mechem pointed out:

"The corporation has done more than anything else in modern times to develop the business and prosperity of the country. But as the corporation has developed, and as these things I have already been speaking of have also developed, with the removal of individual responsibility, there have come many occasions upon which the courts have felt they must do something to counteract the conception that the corporation was in all respects separate and apart from the shareholders. It has taken a variety of forms. I cannot speak of all of them. In one case the corporation was held responsible for what the shareholders did. That is an association that we call the trust, which was the forerunner of others.

"We must, if the corporation is to go on and serve its purpose, in some way teach the incorporator to feel that he is not a thing apart, that he has moral responsibility, if not legal responsibility, for the conduct of the corporation which he controls. Speaking in the words of Lincoln, whose birthday we celebrate to-day, if Government of the people, and by the people, and for the people is not to perish from the earth, the people of this country must rule the corporations, and not the corporations rule the people. In my judgment, the most important step to be taken in the direction of the people ruling the corporations is to impress upon

every shareholder, in every corporation, that there is individual responsibility for the conduct of the corporation of which he is a constituent part."

The Adjustment Bureau of the Chicago Association of Credit Men is now in operation, with M. C. Rasmussen as manager. The Adjustment Bureau Committee is composed of H. Fornoff, chairman; C. E. M. Newton and S. J. Whitlock. The bureau has been organized as a reliable medium for the concerted action of creditors in obtaining a quick and inexpensive adjustment of insolvent or embarrassed estates. Primarily it is not a collection agency. Its offices are at 218 La Salle Street.

Cincinnati.

The regular bi-monthly meeting of the Cincinnati Credit Men's Association was held at the Business Men's Club on Tuesday, February 19th, at 7 P. M. Negro minstrels enlivened the dinner, and despite their color, brightened up the occasion. Fifty members were present and one of the encouraging signs of the growth of the Association was the number of new faces at the tables.

After the pangs of hunger had been satisfied and the coffee and cigars produced, President George Guckenberger introduced Mr. Francis Bacon James, the speaker of the evening. Mr. James is a member of the firm of Jones & James, and is one of the most prominent attorneys practicing at the Hamilton County Bar. His subject was "Uniformity of State Laws Governing Commercial Transactions." Mr. James was well qualified to speak on this subject, being one of the Commissioners of Uniform Laws and having served and still serving on several of the important committees of this body. The address was most interesting and instructive.

At the conclusion of the applause which followed the same, Mr. Guckenberger made a few well-chosen remarks on the subject of increasing the membership of the Association.

Mr. Bentley in a few words touched upon the subject of Adjustment Bureaus and referred the members to the account in the Bulletin of the Conference held at Cleveland, January 14th-15th.

President Guckenberger then invited any member to bring up any matter desired for discussion. Mr. Ernest Troy made a few remarks on the subject of Adjustment Bureaus and illustrated them with some personal experiences. After a few moments of general conversation, the meeting was adjourned.

Cleveland.

The regular monthly meeting and dinner of the Cleveland Association of Credit Men was held on February 13, at the Hollenden Hotel. One hundred and twenty-nine members and guests attended the dinner. At each plate was a valentine in verse, entitled "The Credit Man's Valentine," which had been composed by the committee for the evening, Carl W. Schaefer and Fred A. Smith.

President Harry New called the business session to order. A letter from Charles E. Meek, Secretary-Treasurer of the National Association of Credit Men, dated February 11, relating to Adjustment Bureau work, was read; also an invitation from the Toledo Association of Credit Men, inviting members of the Cleveland Association to attend its meeting on March 8.

William E. Crofut, Chairman of the Commercial Agency Committee, made a report, touching especially on the recent discontinuance of notification sheets by the mercantile agencies.

The Treasurer, Fred E. Pile, read his financial report for the month, showing the condition of the treasury.

Floyd D. Shook, Chairman of the Membership Committee, read forty-three applications for membership, this making a total membership in the Cleveland Association of five hundred and nineteen. This report was received with much applause. The Secretary was instructed to read a resolution offered by Thomas P. Robbins at the meeting of the Board of Directors, held on February 11, and unanimously carried:

"Resolved, That the Board of Directors of this Association express to the Membership Committee, in writing, their appreciation of their good services, the excellent results in obtaining new members, and on having passed the five hundred mark."

President New, in introducing Charles W. Burrows, president of The Burrows Bros. Co., and first vice-president of the National Board of Trade, said that the subject of postal affairs interested every man, woman and child in the civilized world.

Mr. Burrows dealt exhaustively with our postal affairs, and charged that the annual postal deficiency was due to the low rates on second class mail matter. He urged the Association to join with other commercial organizations in demanding from Congress a readjustment of rates on first and second class mail matter. George T. McIntosh, president of the McIntosh Hardware Corp., followed on the same subject.

President New thanked Mr. Burrows and Mr. McIntosh for their highly interesting and instructive talks on such an important matter, and Mr. A. J. Gaehr, Chairman of the Legislative Committee, offered the following resolution:

"WHEREAS, Under existing rates, the first class mail matter furnishes approximately eighty (80%) per cent. of the revenue of the Post Office Department, and produces more than one hundred million dollars of profit per year, while it supplies less than fourteen (14%) of the tonnage; and

"WHEREAS, Under existing rates, second class mail matter furnishes more than two-thirds of the paid for tonnage of the mails, and less than four (4%) per cent. of the revenue is produced by it;

"Resolved, That the Cleveland Association of Credit Men urge upon Congress the importance of a reduction from two (2) cents to one (1) cent per ounce on all first class mail matter, and the entire reclassification of second class mail matter, placing upon one basis all printed matter, books, pamphlets, circulars and periodicals alike, excepting only the daily newspapers of the country mailed to points within a reasonable distance of the place of publication, and that a copy of these resolutions be mailed to the Senators from Ohio, and the Congressmen from the Cleveland District."

The resolution was unanimously adopted.

Judge Robert W. Tayler, of the United States District Court at Cleveland, then spoke, in part, as follows:

"Mr. President, I am very glad to have this opportunity of meeting this representative body of business men, who form so important a part of the modern business organization, and upon whose acuteness and successful administration, which is theirs to so large an extent, depends the actual business success in our time. I have felt as I sat here, and contemplated the peculiar character of the work done by the credit men, that you were the nerve of business, without whose watchfulness there could be no business transacted on a successful scale.

"These bankruptcy cases that come before me are the ulcers that have grown upon the body of business. The referee gets the mild ones, but the worst ones come up to me for the surgical act. When you come across your worst cases, reflect that I do not have any other kind. As the price of my coming here, I expect that hereafter the Cleveland credit men will do their duty, and help the Bankruptcy Court out.

"Another thing: The expenses of the court are a great trouble. Sometimes lawyers and trustees put in claims for one thing or another, and it is almost impossible for a judge to determine what is right. But in any case, under the practice now in operation in this district, every referee is required to send out to every creditor a written notice that certain claims are made against an estate for fees other than those which are fixed by law. In nine cases out of ten there is no appearance from creditors to show what is right, and yet I have cut down fees below what the attorneys asked when no creditors were there to enter objections. I might have thought that if creditors did not complain nobody would complain.

"I have felt very deeply that, justly or unjustly, criticism was always leveled at the court, on the ground that we were too expensive, and because the court allowed the lawyers to draw too large an amount. With the vigilance of the referee, and the efficacy of the court, if there is any vice in the administration of the Bankruptcy Law, you are responsible for it. We are ready to do our duty, because we want to feel that no injustice is done to the creditor by way of dissipating the fund out of which their claims are to be paid.

"I am delighted to have felt the rush and impulse of business in this righteous and legitimate sense thrilling us all. You are part of the actual modern business which makes the world go round. I do not expect to make of a poor credit man a good credit man, but I do say that in the matter of organization, which is the law of to-day, especially through the work of the Adjustment Bureau, a branch of your Association, there is a large amount of successful work that can be done and should be done. There should be co-operation.

"Almost all failures result from poor business judgment by honest men, or by frauds of men who have determined to cheat their creditors. As to the first class, every business man knows how they should be dealt with; but there is a moral duty that rests upon all business men alike in either case. When it comes to the other class you feel that the courts do not do as much as you think they ought to do. But my experience is that you lie supinely on your backs and growl at the man who has committed fraud and who settles at five cents on the dollar, your business sense telling you not to send good money after bad. Now, that may be true in some cases, but we do not live down in the valley and look through a microscope; we live upon the hill-tops and look through telescopes. We have the sense of true perspective if we live right and work right, and we see what is in the background, not only that which is in the foreground. When it comes to this class of people who are undertaking to defraud, it is your business to see that they are brought to justice. Cooperate with your fellows; if you make common cause in another's quarrel he will make common cause with you in your quarrel. In nine cases out of ten it can be done, but is not done because in the ordinary course of business procedure there is no concentration."

Columbus.

The Columbus Credit Men's Association held one of its most notable and best attended dinners and meetings at the Chittenden Hotel on February 9th. O. H. Perry, President of the Association, presided. The impetus of the occasion was largely because of the visit of O. G. Fessenden, President, and Charles E. Meek, Secretary-Treasurer of the National Association of Credit Men. After a substantial banquet a business session followed, which was addressed by Mr. Fessenden, Mr. Meek, and others.

Mr. Fessenden pointed out how the old doctrine that competition was the life of trade had been exploded. The more rational and civilized doctrine that coöperation was the life of trade had taken its place. Coöperation was the watchword of the day; it was bringing men and interests in harmonious unison as they had never been brought together before. It was raising the activities of mankind to a much loftier and more successful plane than had ever been known and was destined to accomplish wonderful results undreamt of in the old days when the effects of unrestricted competition set man against his fellow man in merciless warfare. The benefits of coöperation, Mr. Fessenden showed, were seen clearly and convincingly in the strikingly good work being done by the National Association of Credit Men, and the Local Associations. Where in former times each commercial banking or other house pursued an isolated and incomplete method of ascertaining credits, depending solely upon its own unaided efforts, there was no scientific system. The old, wornout, discarded method was essentially chaotic; the present way was systematic, which correctly analyzed, was only another name for coöperation. To coöperate, meant the scientific, sensible ordering of things, while to operate in thousands of detached units, no man knowing what all the rest were doing, was not only a sort of commercial anarchy, but was a woful waste of effort and expense in that the same work was duplicated a myriad of times over. Apart from the material value of coöperation, in saving unnecessary labor and in conserving expenses, Mr. Fessenden pointed out its tremendous ethical value, in that it brought men together in fraternal unity, thus spreading that "Peace on Earth, Good Will to Men," which for nineteen centuries had been a precept, too often broken than observed. Under the ruinous doctrine of competition, which goaded on man against his fellow man in incessant economic strife, the observance of that noble precept was well-nigh impossible. Coöperation in all things will make it an enduring fact.

Thus, eloquently Mr. Fessenden summed up the beneficent influences of coöperation, which are gradually changing the whole course, horizon and environment of human life. In the sphere of the credit men its results, Mr. Fessenden demonstrated, were plain. Already the National Association of Credit Men had 8,000 members; by June, it was confidently expected, 10,000 members would be enrolled. Mr. Fessenden invited all present to attend the National Convention of Credit Men, to be held in Chicago in June. Going into detail in telling of the work of the Association, Mr. Fessenden pointed out that, among other agencies, a large part of the Association's work was to educate its members and others to the necessity of buying adequate fire insurance, of keeping proper books, and of having confidence in credit men. Its work was also advisory and precautionary. "Many a man or firm," said Mr. Fessenden, "would be saved from failure if they would only confide with the credit man and an adjustment could be effected."

Mr. Meek spoke earnestly and informally of the work of the

National Legislative Committee, of which Mr. B. G. Watson, Secretary of the Columbus Credit Men's Association is now Chairman. The Committee, Mr. Meek said, was now watching the Legislatures in about ninety-five per cent. of the States for the purpose of getting adequate laws, which would be beneficial to the credit side of business, and to commercial activities generally. Mr. Meek told of the difficulties encountered in getting satisfactory and uniform legislation, and of the attempts which have been made to repeal the National Bankruptcy Law. Statistics collected by the National Office, Mr. Meek said, showed that an overwhelming proportion of business men favored the retention of the present law.

Mr. J. Y. Bassell, Secretary of the Columbus Board of Trade, also spoke. President Lattimer, of the Board of Trade and Fred N. Sinks, United States Referee in Bankruptcy, who were expected to deliver addresses, were unavoidably detained.

The Association adopted the resolution in regard to the uniform operation of the Credit Adjustment Bureaus of the several Associations, as approved at the Conference held in Cleveland, and in order to facilitate this part of the work an Advisory Committee was appointed, the duty of which will be to meet once a week or oftener and advise with any member of the Association in regard to extension of credits, suits against delinquent debtors or adjustments of claims.

The members of this Committee are H. E. Smith, of the Columbus Merchandise Company; T. E. Lawler, of the Sheldon Dry Goods Company; F. C. Rice, of the Hershey-Rice Company; H. C. McAllister, of the Isaac Eberly Company; W. C. Jaynes, of the Smith Brothers Hardware Company; C. P. Crane, of the Crane, Gregg & Hamiel Hat Company; H. L. Thomas, of the Deshler National Bank; B. G. Throop, of the Throop-Martin Company; C. L. Humphreys, of the William M. Fisher Sons Company, and J. E. Jones, of the H. C. Godman Company.

A Committee consisting of H. B. Hutchinson, D. B. Neil, S. B. Nace, A. W. Hershey and W. E. Meade, was appointed to arrange the program for entertainment at the next meeting. A cordial invitation was extended the members of the Local Association by the National Officers to attend the National Convention in Chicago next June.

The Association gave the visitors a rising vote of thanks for their presence, and for the addresses delivered. At the meeting six new members were elected, which makes a total of thirty-five this year and an aggregate membership of one hundred and eighty-five, only fifteen short of the two hundred at which the Association has been so long aiming.

Denver.

The tenth annual banquet of the Denver Credit Men's Association was held at the Savoy, in that city, on the evening of January 28th. One hundred and forty-five members were present. At the close of the dinner, R. R. Gillette, President of the Association, gave a brief review of the Association's history and work. In detailing the results of its activities, Mr. Gillette spoke especially of its influence in having the Bulk Sales Act passed, and of the formation of the Adjustment Bureau, in which the Denver Association of Credit Men was the pioneer, and the example of which has been followed by many other credit men's associations.

As toastmaster, F. W. Standart, former President of the National Association of Credit Men, kept down his remarks to an appropriate

and felicitous brevity, allowing the invited speakers to discourse at length upon the evening's subjects. Mr. Standart made the statement that no other association could equal the Denver organization in the way its members have come so closely together. Mr. Standart's opening address was short and graceful, and preceded an address made by Justice William H. Gabbert, of the Supreme Court of Colorado, whose enigmatical subject was, "Pot Pourri." After some facetious thrusts at the phrase which, said Justice Gabbert, looked dangerously like a horrible specimen of simplified spelling, the Justice started out in serious vein. He said in part:

"I doubt if the greater portion of Denver people realize the wonderful agricultural resources of this State. In my recent visits to a number of points in the State, points which it looked for awhile as if I would have to revisit a number of times, I was surprised at the wonderful crops of potatoes, melons, apples, beets and other products which Colorado raises. And the other day I learned of a new product. Out at the stock show I talked to some gentlemen who assured me that Denver will in a few years be the great stock market of the West, and that the pea-fed hog, whose flavor surpasses that of the corn-fed animal, will yet make Colorado famous.

"In my estimation, commerce is the great civilizer. It was commerce that enlightened the dark ages, commerce that brought forth all our new methods of transportation and communication. It was commerce that awakened Japan and placed her where she is among the nations of to-day."

At a happy suggestion by Mr. Standart, the members then joined the orchestra in a vivacious carolling of that soul-filling song, "Cheer Up, Mary."

A. E. Foster, Cashier of the United States National Bank, followed with a capital address on "Business Expansion," in the course of which he said:

"The result of our recent State election was the greatest piece of good fortune that could possibly have come to the business interests of the city and State.

"That we have been prosperous for the past two years, in spite of the drawbacks under which we have labored, proves conclusively to my mind that Colorado, viewed from the standpoint of her natural resources and many advantages, is one of, if not, indeed, the greatest State in the union. There are no elections to worry us until a year from next May, and we are, therefore, in a position to contemplate the immediate future with every feeling of confidence.

"While optimistic for the future welfare of the State, nevertheless it is well to remember that good times cannot last always, for in times of commercial prosperity the fever of speculation gets into men's blood and tempts them from the path of safety and common sense.

"In times of unusual prosperity expansion is the natural order of the day, and when confined to sane and legitimate proportions is entirely justified, but, in my opinion, but two classes of business men can afford to materially expand, under any circumstances. One is the man with an excess amount of capital, and at least exceptional ability, and the other is the man who possesses high credit, much experience, and unusual business sagacity, and even at that the last mentioned is taking some chances.

"Business expansion, theoretically, does not necessarily mean

speculation, but as a matter of fact, in practice, it too frequently results in that. The point then naturally arises as to when a merchant is justified in making legitimate investments outside his business. He certainly is not justified in making outside investments or expanding his business on credit materially.

"Two notable things are taking place in Denver now: Expansion in business, and business men expanding out of the narrow and self-centred groove which has characterized their attitude toward public affairs during the past five years. If we can only hook up together these two mighty engines of advancement, throw open the throttle, and get them to sparking in unison, we can stand the endurance test and go far and accomplish much on a gallon of Colorado prosperity."

Mr. Standart then introduced J. W. Kelley, City Passenger Agent of the Denver, Northwestern & Pacific Railroad, to whom had been assigned the subject, "How the Railroads Help Denver and the State of Colorado." He spoke in part as follows:

"About 200,000 tourists come to our State every year, and the outside roads that run in here spend hundreds of thousands of dollars every year boosting Colorado and its attractions. These great numbers of people come into our State and find out that, despite the reputation given to the commonwealth by certain newspapers, we are a peaceful, law-abiding and prosperous people, and it is worth a lot to have them go back home and say so.

"One of the most pernicious pests I know of is a man who insists that the railroads are great bodies organized to plunder the man who has freight to ship. It's not so. The railroad and the shipper enter into a contract, in which it is as much to the railroad's advantage to be square as it is to the man whose freight it handles. I wish to protest here to-night against the peculiarity that some critics have of picking out some single instance of freight rates and making it seem a danger that threatens the integrity of the commonwealth. The railroads have made money by boosting the State of Colorado, and in closing I might liken them to what Josh Billings said of the rooster, 'I like him for his crow and for the spurs he's got to back it up.'"

The next speaker was Governor Buchtel, of Colorado, whose subject was, "Colorado." In introducing him, Mr. Standart said: "Long ago, capacity, capital and character were taken as the watchwords of our association. In introducing to you our Governor, I wish only to say that he represents the high character which, as a State, we hope to attain."

When the cheering had subsided, Governor Buchtel began his speech:

"It has been a long time," he said, "since I listened with greater pleasure to speeches than I have to those given here to-night. I think that Mr. Foster's address should be printed and given over and over to the merchants throughout the State, that they might be guided by the wisdom of it when they transact business over their counters.

"This splendid association, on whose excellent condition Mr. Standart has commented, grows out of a number of conditions, and among the strongest of the influences that are brought to bear upon you is the great, big, healthy country you live in. It is hard for anybody to be small in a country that is as big in every way as ours is. It seems to me that you men have in your hands the keeping of the business prosperity of the State more than any other organization

of similar size in the State. I feel sure that you will take good care of it. When I accepted the nomination for governor, I expected to get there, or I wouldn't have taken it, and all during that campaign I worked like a dray horse, always with the good of Colorado in mind. I know Colorado, and I love it. I know it better, I think, than any other man in the State, for I have traveled thousands of miles within its borders every year. I have spoken scores of times in all its principal cities. I know the State, and I have thought intensely at all times of the best ways of bringing capital and people into Colorado. I think that the best and the only way to accomplish this is to insure a condition of business stability here that will teach the Eastern capitalist that when he has money to invest, the place to invest it is Colorado.

"I can't tell you how anxious I am to make the appointments to office and the conduct of the State government on a basis of absolute honesty and integrity. Colorado must be genuine through and through, without five cents' worth of graft in the whole State, and I pledge you, gentlemen, that all the stuff that is in me shall go towards leading Colorado into a larger, better and happier life."

The cheering at the close of this speech was so protracted that it was some moments before Mr. Standart could make himself heard to introduce State Senator James C. Burger, who spoke on "The Other Fellows."

Mr. Burger made no attempt at seriousness, but kept the members laughing continuously, and sent them home with many a pleasant chortle over.

Grand Rapids.

On February 19th, the Grand Rapids Credit Men's Association had a dinner and meeting at the Pantlind. This was the first of a series of five meetings which the Association will hold to discuss educational topics connected with the subject of credits, and the subject at this time was "Organization, System and Management of Credit Departments."

Mr. C. F. Rood was to have led the discussion, but in his absence President Cornelius announced that this duty would devolve on Mr. W. K. Plumb.

Before opening the discussion, Mr. W. A. Tateum was introduced. He styled a Credit Association as "the safety valve of the community," because it safeguards the community against financial disaster.

Mr. Plumb in his opening remarks pointed to the fact that "credit operations have changed greatly in the last fifteen years, at least \$25,000,000 being saved annually from the fact that credits are taken up in a scientific spirit."

Mr. Plumb stated that an account sixty days past due should be put in the doubtful accounts else the credit man did not do his duty in opening the account—though a strong effort is made to collect it.

Mr. George F. Sinclair was of the opinion that any office conducted without a system would soon become almost a failure, and in the office the credit man is the most important post. A system too elaborate is not good, a simple system is best. A customer's character is more important than his bank account.

Messrs. Prendergast, Sutton, Tuttle, Cornelius, Merritt, Hopkins and Foote also spoke.

The next subjects for discussion will be, "Qualifications of a Good Credit Man," "Correspondence in Credit Department," "Relations of Credit Man to Salesmen" and "The Commercial Agency and Credits."

Kansas City.

At a dinner of the Kansas City Association of Credit Men, at the Savoy Hotel, on the evening of February 8th, the bulk sales law now pending before the Missouri Legislature was approved.

John L. Powell spoke on the "Adjustment Bureau," which will take out of the hands of lawyers the adjustment of failures and will stop the abuse of collecting law firms putting an insolvent into unnecessary bankruptcy proceedings. G. B. Silverman, an attorney, spoke on "Property Statements and their Value," and dwelt on the old scheme of dishonest debtors putting the letters "E." and "O. E." on their statements. He advised that credit men adopt a uniform system of obtaining a written signed property statement annually, that men would thereby not become dishonest and failures would be less. He also urged that the statement be written by the customer in his own handwriting and then signed, making it fixed and certain, subjecting the signer, in the event of its falsity to criminal prosecution, and giving the creditor the right of reclaiming his goods by replevin.

Milwaukee.

The regular annual meeting and dinner of the Milwaukee Association of Credit Men was held at the Blatz Hotel, on January 17th.

The meeting was called to order by W. B. Strong, president. Reading of the minutes of previous meetings of the Association was waived in view of the fact that the annual report of the Secretary gave a general review of matters of vital interest and importance.

The report of the secretary reviewed in detail the meetings held by the Board of Directors and by the Association, showing new members admitted during the year and resignations and suspensions for the same period. A full statement of receipts, disbursements, etc., was submitted and placed on file.

The treasurer's report in detail verified the secretary's report as to financial condition, showing receipts, disbursements, balance on hand, etc. This report was also, upon motion, placed on file.

Richard J. Morawetz, secretary of the Investigation and Prosecution Bureau, submitted a detailed report showing business handled by the Bureau, receipts and disbursements of cash, which report was accepted and filed.

H. L. Eisen, secretary of the Adjustment Bureau, reported verbally stating that he had not received notice that he was to render a detailed report of the Bureau and was therefore not prepared, but agreed that such a report would be prepared as of December 31, 1906, and filed with the records of the secretary. Mr. Eisen gave a very interesting talk on the Conference of Adjustment Bureau Managers, held at Cleveland on January 14 and 15.

A. N. Ritz, chairman of the Membership Committee, rendered a verbal report as follows: "When this Membership Committee was appointed a year ago the chairman called a meeting promptly and the members came together and discussed plans with vigor and great expectations and good work was done. The members made a great effort, and the result is shown by the report of the secretary. The work done since is as good as could be expected. Most of the work was done the first two or three months of the year and after that little was accomplished. Practically all the work that was accomplished was among friends of the members of the committee. In my opinion it would be a good plan to appoint a membership committee every six months. Most of the work is done among the friends of the committee, and when that circle is

exhausted they have done all that can be done. I think that with such a plan the membership could be doubled and I believe that the plan should be taken into consideration by the Association. I desire to commend the work of Messrs Knell, Cohen and Wetstein who did excellent work which is fully appreciated by the chairman."

A. Christiansen, chairman of the Legislative Committee, reported substantially as follows: "The Legislative Committee has no report to make at this meeting. During the last year there has been no session of the legislature and nothing in the way of legislation to give attention to. Possibly the committee for the year 1907 may have more work in legislative lines, as the legislature is now in session."

J. A. Strauss, chairman of the Committee on Credit Department Methods and Commercial Agencies, reported that the committee had not held a meeting during the year, and there having been no business called to his attention there was nothing of interest to report.

Communications were read from the National Office and also from C. A. Seifert and R. D. Barney. Referring to a letter from Charles E. Meek, Secretary-Treasurer of the National Association, calling attention to collection agencies, the following motion made by Mr. Eisen, was approved: "That the letter referring to collection agencies be printed and that the secretary mail a copy to each member of the Association."

Upon motion of Mr. Loeffler, the secretary was instructed to deliver to the Legislative Committee all communications received from the National Secretary or from other sources bearing upon suggested, or necessary, legislative action.

The following motion was submitted by Mr. Barney and approved: "That the Investigation and Prosecution Bureau be authorized to receive renewals to the prosecution fund from subscribers pro rata following the same plan as was adopted two years ago, pro rating the amount to be paid by each house."

Referring to the part of a bill now before the Wisconsin Legislature dealing with certified accountants, upon motion of Mr. Morawetz, the secretary was instructed to deliver the correspondence and copy of the bill to the Legislative Committee.

The President appointed H. L. Cheyney and Walter Casten as a committee to audit the books and accounts of the secretary and the treasurer.

For the election of officers for the ensuing year and two directors for a term of three years, and one director for a term of one year to fill out the unexpired term of James Leedon, resigned, the President appointed E. C. Hoe, H. J. Johnson, J. M. Schmidtl, tellers. Upon motion of H. H. Swarting the rules were suspended and W. B. Strong was elected president by acclamation for the year 1907. Upon motion of H. L. Eisen, the secretary was instructed to cast a unanimous vote of the Association for Oscar Loeffler for the position of vice-president. Upon motion of R. D. Barney, the rules were suspended, and William I. Lane was elected by acclamation to the position of treasurer for the year.

The following nominations were made for directors, it being agreed that the three receiving the highest number of votes should be declared the choice of the Association, the two receiving the highest numbers to be elected for three years, and the one receiving the next highest number to be elected for one year.

Nominations were as follows: H. L. Eisen, R. D. Barney, A. Christiansen, Frank G. Smith and M. Graettinger.

The committee of tellers reported the election of Mr. Eisen, Mr. Barney and Mr. Graettinger.

The president announced for the three year term, H. L. Eisen and R. D. Barney; for the one year term, M. A. Graettinger.

Mr. Strong in a few well-chosen remarks outlined the possibilities of the Association and urged all members to become more interested in the welfare and success of the Association and asked the co-operation of the members in sustaining and assisting the officers and directors in their efforts to build up a strong organization.

As an entertaining feature, Oscar Loeffler, a member of the National Board of Directors, gave a very entertaining review of the meeting held at Nashville, Tenn., and of their meetings held at other places.

E. C. Hoe made the following motion which was adopted: "That a vote of thanks be tendered to the officers and Board of Directors for the untiring and satisfactory services rendered during the year just closed."

Newark.

A regular meeting of the newly-organized Newark (N. J.) Association of Credit Men was held at Achtelstetter's, 842 Broad Street, on February 13th.

William A. Prendergast urged the necessity of co-operation among business men and pointed out its many benefits. Without it, he said, the chief aim—the protection of the credit system—could not be accomplished.

Charles E. Meek, Secretary-Treasurer of the National Association of Credit Men, made a strong plea for the establishment of an adjustment bureau. Mr. Meek proceeded to show, first, why wholesalers, manufacturers and bankers should join the Association. Another reason given by Mr. Meek as an incentive for the enrollment of business men in general, was his explanation as to the legislative work of the Association. He told of a Bureau of Legislative Information which supplied the Association with data on bills introduced into every lawmaking body of the country, and how through this medium the entire membership of the Association was constantly kept in touch with the legislation of the various States. In his talk on the Adjustment Bureau feature of the Association, Mr. Meek explained how through these bureaus many business men have been kept out of the bankruptcy courts and have been reestablished in their business through the action of their creditors.

J. Fred Braun, Secretary of the Newark Association of Credit Men, told about learning of a stranger who came to Newark recently and sought credit with furniture houses, but whose credit was not good. The Secretary got into communication with the members of the Association dealing in furniture, supplying them with the name and description of the stranger, and warning them to be on their guard. The man visited some of the members and was refused credit.

Two more banking houses have become identified with the Association through the action of Edward F. Maguire, trust officer of the Federal Trust Company, and Frank S. Cobb, loan clerk of the Essex County National Bank, in becoming charter members. The Union and Merchants' National banks are already represented in the Association.

New York.

The New York Credit Men's Association held its regular meeting and dinner at the Hotel St. Denis on the evening of February 6th. In the absence of W. S. Armstrong, president of the Association, the vice-president, Howard Marshall, presided. A letter of regret was read from Swager Sherley, a member of the House of Representatives from

Kentucky. Mr. Sherley, who has frequently attended conventions of the National Association of Credit Men intended to be present as a speaker but important legislative matters at Washington kept him away, much to his regret. Frederick J. H. Kracke, Naval Officer of the port, another invited speaker, was confined to his home by illness. Assemblyman Sherman Moreland, who was on the list for a speech, was detained elsewhere.

The first speaker of the evening was Rev. Francis M. S. Taylor, pastor of the Church of the Ascension, Mt. Vernon, who made a partly humorous, partly serious address on credit and credit men and closed by expressing the hope that the time was not far away when employers of credit men will provide pensions for superannuated employes. The next speaker, C. L. Chester, described at some length the work now being carried on in constructing the Panama Canal and spoke of the deep impression made upon him by the energy with which this vast undertaking is being executed.

"The Panama Canal," declared Mr. Chester, "is as important to the world's commerce as is the ocean greyhound, or the building of a railroad. From the time of Charles V to the year the United States took hold of the project, there have been surveys, and paper plans for the construction of the canal. Although De Lesseps spent a quarter of a billion dollars in the endeavor to connect the Atlantic and the Pacific, it is only now that the work has been begun in a manner presaging final success. The dream of the centuries is about to be realized, and I think that within ten years the canal will be completed.

"The necessity for the construction of the Panama Canal has been emphasized in a striking manner by two events in the national history of this country. One of these was the discovery of gold in California, while the more recent occurrence was the Spanish-American War, which, perhaps more than anything else, has made the building of the waterway a tenet in the creed of every political party in the United States. It should be a matter of pride to us all that the canal will be built out of American material and with domestic supplies."

Mr. Chester's entertaining and instructive remarks were followed by various questions put to him by members, after which Charles Biggs, a former president of the New York Credit Men's Association, and at present secretary of the Hat Trade Credit Association, made an address. Mr. Biggs strongly indorsed the plea made by the Rev. Mr. Taylor for kindly helpfulness by credit men to merchants in financial straits and continued:

"I think that we should look at it not alone from a monetary standpoint, but with a view to helping our unfortunate friends. I am impressed with the adjustment bureau plan, and to that I would add what may be termed a salvage bureau.

"We should get together and see if we can't save some concerns in financial distress, and reorganize them and put them on their feet. It should be our aim to advise unfortunates, thereby preventing disaster and destruction."

Mr. Biggs further pointed out that a great and advanced change in the handling of credits had taken place within a comparatively few years. The rather narrow and loose methods of the old days had well-nigh vanished and a tendency to greater liberality of treatment had succeeded them. Although much greater circumspection and system in the granting of credits were exercised now, yet harshness had been replaced by a kindly system of dealing with unfortunate honest merchants whom the aim was to help out of their troubles and not push down. This new

method, and it was proving a very successful one, not to speak of its ethical value, had been brought about largely through the existence of credit men's associations, the spirit of which was one of perfect fairness and justice.

Mr. Biggs was followed by A. H. Alexander, secretary of the New York Credit Men's Association, who told what that organization was now doing. Two cases, said Mr. Alexander, which were likely to result in criminal prosecution, were being investigated. Branching out into the scope of the credit men's associations all over the country, Mr. Alexander described the excellent, effective work now being done by the twenty-nine local associations in their adjustment and prosecuting bureaus, and spoke particularly of the gratifying results being obtained in the Southwest.

Richmond.

The Annual Meeting of the Richmond Credit Men's Association was held at the Jefferson Club, January 24th. Out of a membership of ninety-two, eighty-nine members were present.

President John Landstreet, Treasurer G. B. Wilson and Secretary Jo. Lane Stern, and the chairmen of the regular committees, made reports, showing a most prosperous condition of the Association, with considerable increase of membership during the past year, with the loss of not one of the old members, and more interest in the Association's work. The committees reported good progress in establishing a Credit Bureau and an Adjustment Bureau.

President Landstreet reported that he had attended several meetings in Washington for the purposes of assisting in influencing legislation in Congress for the Commercial interests of the country.

Addresses were made by the Rev. George W. McDaniel, of the First Baptist Church, on "Business Integrity," and by Mr. George Bryan, Attorney-at-Law, on the "Negotiable Instruments Law," both of which were received by the members with great applause.

The following are the officers elected for the year 1907: President, John Landstreet; Vice-President, T. S. Stokes; Treasurer, George B. Wilson; Executive Committee, H. S. Binswanger, Tucker Sands, J. A. Moncure, Leon Wallerstein, and E. C. Laird.

After a very enjoyable dinner, served by the Jefferson Club, the following resolutions were passed:

"Resolved, That the thanks of the Association be tendered to the officers and members of the Jefferson Club for their courtesy in granting the use of their Club House for this meeting, and for their generous hospitality in supplementing the arrangements of the committee in a manner that indicates that this pleasant home of theirs contains many hidden treasures calculated to create and perpetuate good fellowship.

"Resolved, That we the members of this Association, having learned that Mr. Geo. L. Pender has determined to remove from Richmond, and to cast his lot with our friends in the neighboring city of Norfolk, desire to again express our appreciation of his valuable services as our first presiding officer, and to express our regrets that so energetic and useful a member must sever his connection with the Association. That we extend to him our sincerest wishes for his happiness and success in his new home and vocation, with the assurance that our latch string will ever hang out for him in Richmond, and that our eyes will always grow brighter at the sight of him, and our hearts will always be gladdened by his return."

Salt Lake City.

The Utah Association of Credit Men held a special meeting at the Commercial Club, Salt Lake City, on the evening of February 18th. The guest of honor was Francis J. Stockwell, Assistant Secretary of the National Association of Credit Men, who made a comprehensive address on the aims and purposes of the organization. The rest of the evening was devoted, as arranged, to making the occasion one of profitable intercourse and pleasure to all who attended. All guests were duly and solemnly warned of what was expected of them by this facetious paragraph in the card of invitation:

"While guests wearing evening clothes will not be lynched, they will be much safer if they come clad in everyday clothes."

No casualties were reported.

The Utah Association of Credit Men has a membership of about eighty. Of this number about twenty are outside of Salt Lake City, and are mostly concerns at Ogden, Utah. The Association has three features: Credit Information Bureau, Adjustment Bureau and General Collection Bureau. The collections in the office, however, are mostly, if not wholly, from members of this or other Associations. The office of the Association is a model. It has a perfect system of filing, or as near perfect as can be produced at the present time. The manager, H. Van Dam, Jr., and his assistant, Walter Wright, are efficient men and are well liked by the members of the Association.

Savannah.

The anniversary of the organization of the Savannah Credit Men's Association was celebrated by a dinner at the Casino on the evening of February 21st. The affair was well attended and a notable success. The decorations were tastefully and patriotically designed and the orchestral music was various and felicitous. The arrangements for the dinner were made by Oscar S. Kulman, assisted by a committee composed of equally enterprising men. O. G. Fessenden, President, and Charles E. Meek, Secretary-Treasurer of the National Association of Credit Men, were special guests of honor.

William F. Scherff, President of the Savannah Credit Men's Association, presided. Five speeches were made. Mayor Gorge W. Tiedeman, of Savannah responded appropriately to the toast, "Progressive Savannah," saying in part:

"The achievements and progress of Savannah are so pronounced that to review them in detail would consume too much time. All of you are informed as to Savannah being one of the greatest ports in the United States. It is a matter of general information that Savannah's bank clearings are the largest in the State, and the value and volume of her imports and exports are constantly increasing.

"We are proud of the strides our city is making in the line of manufacturing and industrial enterprises, just as we are of her maintenance in years past, when the city suffered from the effects of a cruel war; we are proud now of her high financial credit, and of the fact that the city is to-day the most prosperous, progressive and beautiful of cities in this country.

"And yet, how can I increase the store of your information; what can I say that will add one laurel to the city's crown? In an organization such as this, composed in a large measure of the men who have helped make Savannah what it is, what can I say upon this subject that will interest, instruct and inspire?"

The Mayor spoke of the principles that underlay the organization of the Credit Men, and then went on to the debt the members of the Association owe to the city. "Do you suppose you could have achieved the success that is yours," he said, "if you were not assisted by the commercial facilities afforded by the city? She aids you by the execution of righteous laws, and the regulations offer you the protection you enjoy."

"There is but one way by which you can pay the debt. That is by giving your best efforts to the city; always have an eye to the city's welfare. For a man to refuse to join in a movement designed to ultimately benefit the city, simply because it will cost him time or money, is a short-sighted policy; it is a refusal to pay the obligation which he owes to the city which has materially contributed to the measure of success with which he has been blessed."

Following an address by Hon. P. A. Stovall on "The Father of His Country," and another by N. J. Harty on "Standing in with the Credit Men," Mr. Fessenden spoke on "The Credit Man's Mission." Mr. Fessenden gave an absorbing review of the history of the organization of the Credit Men's Association. He and Mr. Meek were present at the Astor House in New York at the initial meeting, when twenty credit men out of one hundred, who had been invited, were present. Its object was the interchange of credit information. From that nucleus what is now, perhaps, the strongest and most fruitful commercial organization in the country was developed.

"Before this Association was formed there was hardly a law in any State affecting the creditor and the debtor which did not favor the latter," Mr. Fessenden continued. "In many States there were no laws to inhibit a dishonest debtor from selling his stock in bulk to an auctioneer, who would move it over night to his salesroom, sell it the next day to a relative of the seller, who would shortly again blossom out in business either under the name of the relative or his own. We now have laws in almost every State that protect the interests of the creditor and the debtor alike, and the Credit Men's Association is responsible for this."

Mr. Meek dealt comprehensively with many phases of the matters in which credit men are vitally interested. "The Association has registered an emphatic and vigorous protest against commercial fraud, and has restricted fraud to a large extent by means of legislative enactment," he said. "The first important legislative movement, to the success of which the Association contributed largely, was the enactment of the national bankrupt law. Prior to the passage of this act business men had been confronted by a wonderful maze of State insolvency laws differing widely in their provisions, oftentimes permitting liberal preferences. The effect of these varying laws was to give a favored creditor more than an equal share of the insolvent estate."

"The diverting of funds to the settlement of fictitious claims in the hands of relatives or friends was a comparatively easy transaction."

Another important law to which Mr. Meek called attention and referred to the Association's instrumentality in securing its passage, is the "Bulk Law." He said that not long ago it was a common practice for a dishonest merchant to sell out his stock in bulk for the purpose of defrauding creditors. This was almost an everyday occurrence.

Mr. Meek also spoke of the improvements the credit men have secured in the law governing the operation of chattel mortgages and

like instruments. Formerly they were filed with the "town clerk," who oftentimes was not accessible; now they are recorded in the office of the county clerk. Mr. Meek spoke of the character of men who have been attracted by the efficacious methods of the Association. Of the results accomplished by the organization, Mr. Meek pointed out: "In its work the Association has taken a conservative position. There has been a lack of glamour and an absence of broken promises. Its work has been quiet and effective. Step by step, feeling its way cautiously, the Association has from the day of its birth followed the advice in the adage that what is worth doing is worth doing well."

J. W. Clark, manager of the Jacksonville Credit Men's Bureau, who was expected to be present and speak to the subject, "Trust vs. Bust," could not be present. The subject was then assigned to Jacob Gazan, whose extemporaneous speech was a decided success.

Seattle.

A meeting of the Seattle Credit Men's Association was held on January 24th. Meetings are held regularly on the third Monday of the month, but because of the fact that F. J. Stockwell, Assistant Secretary of the National Association of Credit Men was on the Pacific Coast and contemplated a visit to Seattle, the meeting was postponed, pending his arrival. Unfortunately, Mr. Stockwell could not possibly give sufficient advance notice of the exact date of his coming, and as a result, some of the members did not attend. There were present, however, when the meeting was called to order at the Hotel Stander, about thirty members.

After the usual dinner, the Association received a report of progress from Fred T. Fischer, Chairman of the Legislative Committee. This report indicated that two bills previously under consideration, one referring to the use of assumed or fictitious names, and the other to the signed property statements, had been prepared by the committee and sent generally throughout the State. Many favorable responses were received, particularly from jobbers and manufacturers, as well as from banks. Some opposition to the latter bill, however, developed in the Retail Grocers' Association of Seattle. The bill respecting the use of fictitious names has practically no opposition.

The Legislative Committee of the Seattle Association made an appointment for a meeting with the Legislative Committee of the Retail Grocers' Association at which time the merits of the disputed bill will be thoroughly discussed. It is hoped that a mutually satisfactory understanding will be arrived at. The bills are now in Olympia under the capable direction of a representative of the Association, for introduction into the Legislature.

Following the report of this committee, Mr. Stockwell addressed the Association on the subject of Legislation. He was heard with great interest, and handled his subject so well that all those present felt that they had received material benefit. In the course of his address he touched upon bankruptcy matters. Very many favorable comments were heard regarding Mr. Stockwell's expressed views.

WANTS.

BUSINESS MANAGER OR CREDIT MAN—Wanted, a position with large progressive house to manage office or credit department. Twelve years in present position and good reason given for desiring a change. Have successfully handled large number of accounts in diversified lines. Good correspondent and manager. At present in charge of salesmen and branch houses. Highest references given. Location immaterial. Address, PRACTICAL, care Chas. E. Meek, Secretary-Treasurer, National Association of Credit Men, 41 Park Row, New York, N. Y.

WANTED—Position in Credit Department as Assistant, or is capable of taking full charge, by American, age 29. Conscientious, hard worker. Record of four years mercantile agency; three years mercantile agency and law; six years on credits. Furnish bond and best of references. Will locate in any city. Opportunity as essential as salary. Address, P. S. Fleming, 623 Bon Ton Street, St. Joseph, Mo.

CREDIT MAN OR MANAGER—Position desired with a first-class house where ability counts. Four years in present position as credit man and manager of large commission house. Experienced in accounting, credits and managing salesmen and capable of taking entire charge of office force. References. Address, H. A. L., care of Secretary of National Association of Credit Men, 41 Park Row, New York, N. Y.

CREDIT MAN AND OFFICE MANAGER—Employed eleven years in Chicago as Credit Man and Office Manager. House with which connected removed from city. Desires to secure position with progressive house in Chicago. Experienced in credits, collections, accounting and correspondence. Thirty-six years old. Can furnish unexceptionable references in regard to ability and character. Address, J. G., care National Association of Credit Men, 41 Park Row, New York, N. Y.

CREDIT, OFFICE AND FINANCIAL MAN—Now Treasurer of large manufacturing concern that will soon close its affairs, desires similar position with progressive house. Expert accountant, good correspondent and credit man; at present employed in Western Pennsylvania, but no objection to going out of the State. Can furnish highest reference as to character and ability, and bond, if necessary. Address, F., care of National Association of Credit Men, 41 Park Row, New York, N. Y.

WANTED—By a capable and energetic man, experienced in credits, office and financial management with wholesale boot and shoe concerns in northwest, employed, but desires immediate change, preferably same line, at Milwaukee or Chicago. Highest references. Address, Manager, care of Chas. E. Meek, Secretary-Treasurer, 41 Park Row, New York, N. Y.

CREDIT MAN—A careful, capable credit man wants a position with wholesale or retail dry goods house or kindred lines. First-class references. Salary \$1,500 to start. Address, WILLIAM, care of C. E. MEEK, National Association of Credit Men, 41 Park Row, New York, N. Y.

POSITION WANTED—By a credit man of 5½ years experience with western wholesale house. Has also been traffic manager for same firm, having had 15 years' experience in general railroad work. Can give excellent references. Age 38 years and married. Salary \$3,000 per year. Address A., care of National Association of Credit Men, 41 Park Row, New York, N. Y.

MANAGER WANTED—A surety company about to be organized requires the services of a man familiar with the bonding and surety business. To the right man a responsible and permanent position is assured. Address S., care of C. E. Meek, 41 Park Row, New York, N. Y.

STANDING COMMITTEES, 1907-1908.

LEGISLATIVE COMMITTEE.

Benson G. Watson, Chairman, Union National Bank Bldg., Columbus, O.
 R. A. Porter, Goodall, Brown & Co., Birmingham, Ala.
 C. W. Linthicum, Cooper-Cryer Co., Little Rock, Ark.
 W. C. Kennedy, Baker Iron Works, Los Angeles, Cal.
 J. P. Haddock, Cook-Haddock Co., San Diego, Cal.
 Martin Triest, Triest & Co., San Francisco, Cal.
 C. R. Root, Barteldes Seed Co., Denver, Col.
 Edw. J. Pearson, The Jewell Belting Co., Hartford, Conn.
 E. N. Wead, Laffin & Rand Powder Co., Wilmington, Del.
 R. V. Covington, The Covington Co., Jacksonville, Fla.
 W. A. Parker, Beck & Gregg Hdw. Co., Atlanta, Ga.
 W. R. Finegan, J. Rosenheim & Sons, Savannah, Ga.
 M. L. Ash, Kuh, Natham & Fischer Co., Chicago, Ill.
 Henry A. Jeffries, Kingan & Co., Ltd., Indianapolis, Ind.
 W. A. Robins, Ratcliff-Sanders Gro. Co., Tulsa, I. T.

W. L. Brown, Brown-Hurley Hardware Co., Des Moines, Ia.
 E. C. Currier, Hansen Glass & Paint Co., Sioux City, Ia.
 O. P. Taylor, Johnston-Larimer D. G. Co., Wichita, Kan.
 Walter Walker, Harbison & Gathright, Louisville, Ky.
 C. S. Foster, Louisiana Tobacco Co., New Orleans, La.
 H. B. Crosby, A. H. Berry Shoe Co., Portland, Me.
 Jas. R. Thompson, Johnson, Boyd & Co., Baltimore, Md.
 Wm. M. Morgan, 73 Tremont Bldg., Boston, Mass.
 Frank J. Hamburger, 135 Jefferson Avenue, Detroit, Mich.
 E. A. Stowe, Tradesman Company, Grand Rapids, Mich.
 B. W. How, Kelley-How-Thomson Co., Duluth, Minn.
 Robert S. Kolliner, Kolliner Bros. & Newman, Stillwater, Minn.
 R. A. Young, St. Paul, Minn.
 Samuel Rothenberg, Marks-Rothenberg Co., Meridian, Miss.
 Frank W. Yale, 770 Gibraltar Bldg., Kansas City, Mo.
 S. Woodson Hundley, Hundley D. G. Co., St. Joseph, Mo.

STANDING COMMITTEES, 1907-1908—Continued.

E. S. Murphy, Geo. W. Perry Rubber Co., St. Louis, Mo.
 Chas. E. Beebe, Beebe Grain Co., Butte, Mont.
 J. Frank Barr, 507 Richards Block, Lincoln, Neb.
 J. H. Taylor, F. P. Kirkendall & Co., Omaha, Neb.
 Chas. T. Page, Page Belting Co., Concord, N. H.
 C. R. Burnett, American Oil & Supply Co., Newark, N. J.
 W. B. Maddock, John Maddock & Sons, Trenton, N. J.
 C. C. Robbins, Gross, Kelly & Co., Las Vegas, N. M.
 Morris E. Preisch, Haines Lumber Co., Buffalo, N. Y.
 M. E. Bannin, Converse, Stanton & Co., New York, N. Y.
 Geo. G. Ford, Lewis P. Ross, Rochester, N. Y.
 Chas. F. Polk, Polk & Calder Drug Co., Troy, N. Y.
 J. J. Norman, J. J. Norman & Co., Winston-Salem, N. C.
 Nelson A. Burdick, Hall-Robertson Hdw. Co., Fargo, N. D.
 Thos. S. Brown, Eagle White Lead Co., Cincinnati, O.
 W. W. Chase, The White Sewing Machine Co., Cleveland, O.
 J. F. Paddock, The Paddock-Overmyer Co., Toledo, Ohio.
 F. G. King, The John H. Fitch Co., Youngstown, O.
 Eugene Miller, Kerfoot, Miller & Co., Oklahoma City, Okla.
 W. B. Roberts, Lang & Co., Portland, Ore.
 Jos. S. Potter, Folwell Bros. & Co., Philadelphia, Pa.
 F. H. Jones, Allen Kirkpatrick & Co., Pittsburgh, Pa.
 C. S. Sisson, C. S. Sisson & Co., Providence, R. I.
 John C. Tiedeman, Otto Tiedeman & Sons, Charleston, S. C.
 Wm. Koenig, Jr., Andrew Kuehn Co., Sioux Falls, S. D.
 Jas. A. Cash, Trigg, Dobbs & Co., Chattanooga, Tenn.
 J. W. Apperson, Myers, Banks & Apperson, Memphis, Tenn.
 W. H. Williamson, American Bldg., Nashville, Tenn.
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